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Hiroshima Takes Fresh Look at Why Bomb Fell

By David E. Sanger
New York Times Service

HIROSHIMA, Japan — For two generations the millions of Japanese schoolchildren who filed through the grim exhibits of the Peace Memorial Museum at ground zero saw history through Hiroshima's distinctive prism, and they could easily be forgiven for thinking that World War II started on Aug. 6, 1945.

That was the day the atomic bomb was dropped, and the devastation that followed has always been presented in the museum with only the briefest reference to the politics of the era or Japan's responsibility for starting the war that the bombing helped to end.

For 40 years the Hiroshima museum fed Japan's sense of victimization, retelling the heartbreaking stories of ordinary citizens riding trolleys or sitting on the steps of a bank when the bomb was dropped, incinerating the city

and sending 150,000 people to painful deaths from burns or radiation sickness.

But now, just as Hiroshima begins to think about how to commemorate the 50th anniversary of the world's first atomic bombing, the message is changing just a bit.

"Some of us believe that when we think about the bomb, we should think about the war, too," Mayor Takashi Hiraoka said the other day as he walked through the most vivid symbol of such thinking, a new museum.

Connected to the old one by a skywalk, it is meant to fill Hiroshima's historical amnesia about the days before the bombing, describing in uncomfortable detail the city's role in the war effort.

"The world is changing," he said, "and so perhaps should our view of history."

Mr. Hiraoka's view and the museum project he pressed after taking office four years ago are not popular with

everyone here. Japanese rightists have long opposed mixing the history of the war with the Hiroshima bombing.

Mr. Hiraoka's predecessor as mayor, Takeshi Araki, who died recently, held the view that exhibits about Japan's war of aggression in Asia would only dilute Hiroshima's symbolism.

But through a painful chipping away at the consensus, Mr. Hiraoka, a former journalist, began to win over supporters. And when the new museum opened in June, residents discovered a city from the time before the bombing that most of them had never known existed.

It was a city in which factories had been converted to build military hardware and where the Mitsubishi Heavy Industries shipyard turned out the country's giant warships.

There are vivid photographs of the Koreans and Chinese

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Zabidi Mohammad, legal adviser of the Al-Aman sect, vowing Thursday outside Kuala Lumpur's High Court to take action against the government. Page 8.

Those Who Return to Rwanda Risk Death, Hutu Say

By Raymond Bonner
New York Times Service

KADUHA, Rwanda — For weeks, tens of thousands of Hutu, forced from their homes by the war, have been struggling to survive here in one of the harshest regions of Rwanda, selling cattle and clothes to buy small amounts of food and receiving minimal assistance from the international relief community.

Recently, hearing from the new government in Kigali that it was safe to go home, some have tried. And now they are coming back to the wretched refugee camps with

reports that some Hutu returning to their villages are being killed by Tutsi villagers and soldiers of the Rwanda Patriotic Front, the Tutsi-dominated organization that is now the government.

"I saw so many dead bodies," said Charles Mureza, 43, who had escaped from a mud brick house where he had been detained by soldiers along with 10 other Hutu men.

Mr. Mureza, who returned to Kaduha on Thursday, said that he had been seized as he entered his village of Gisare, in the district of Ntongwe, by six Tutsi who tied

his arms behind his back and led him to a Patriotic Front military base about a half-mile away.

Mr. Mureza rolled up the sleeves of his shirt to show festering scabs on the inside of his elbows on both arms. He said the wounds were caused by the ropes.

Other Hutu men and women in this remote refugee camp in the hills in southwestern Rwanda, where the French have established a security zone, told similar accounts of men being tied up and led away by Patriotic Front soldiers, and of women and children being killed when

they returned to their villages in southeastern Rwanda.

"I saw with my own eyes, I am not telling lies," said Louis Nyawandi, who made a partial list of the women, children and men who he said were killed in his village at the end of July.

His father was among them. "I witnessed with my own eyes. They beat him on the head with a stick."

Mr. Nyawandi said that the soldiers rounded up a large group of men. "They tied us with ropes, like this." Mr. Nyawandi

See RWANDA, Page 8

On a Continent of Chaos, a Success Story

Zimbabwe Dodges the Disintegration Common Across Africa

By Keith B. Richburg
Washington Post Service

HARARE, Zimbabwe — Ask taxi driver James Majora what 14 years of black rule in Zimbabwe have meant for him, and he proudly points to new buildings under construction that are changing this capital's skyline. Then the conversation turns personal.

"Before independence, we couldn't mix with whites," he said. "Now we mix with them. We eat with them. We drink with them."

Then he paused and added, "But we don't have any money."

Mr. Majora, a 50-year-old father of 10 who lost a son fighting in the guerrilla war against white domination, capitalized the state that his country finds itself in since white-ruled Rhodesia became black-ruled Zimbabwe in 1980.

Zimbabwe's black majority has attained political power, pride and legal equality, and has done so with a remarkable absence of rancor and retribution given the long and cruel history of white minority rule.

To be sure, many frustrations remain. Blacks still await

economic empowerment. Inflation and the legacy of socialist mismanagement dog the economy, and Robert Mugabe's government stops well short of practicing full democracy. And one of the most contentious postindependence issues — distribution of land in a country where a relative handful of white farmers own the majority of arable soil — remains unresolved.

But viewed within the context of a continent ravaged by civil

war, ethnic strife, famine, disease, lawlessness and a general disintegration of nation-states, Zimbabwe's problems pale by comparison. The country is at peace, its streets generally are clean and safe, and Harare retains its genteel civility. Zimbabwe is an African success story.

"It works — sometimes in fits and starts," a Western diplomat said. "You get frustrated because it doesn't move as fast as you'd like. But it works."

The contrast of political parity and continuing economic

See ZIMBABWE, Page 8

At 409 Pounds, Is He Too Heavy to Hang?

By Rebecca J. Fowler
Washington Post Service

WASHINGTON — As he waits for his turn on death row in Washington state, Mitchell Rupe's mind is on his oversized body. It may seem a bizarre preoccupation, but his legal battle to escape the punishment is focused on his huge frame. Mr. Rupe, 39, who was convicted of murdering two women during a bank robbery

in 1981, contends that the state cannot force him to face the gallows because at 409 pounds (186 kilograms) he is too heavy. Under the force of his own weight he would risk decapitation, which was deemed a cruel and unusual punishment in the last century and is therefore illegal under the Eighth Amendment to the U.S. Constitution.

His case, heard by a federal judge last month, has divided the state of Washington over how to handle the death penalty. Prisoners who are sentenced to death there get to choose between hanging and lethal injection. But if they cannot decide, they are assigned to hang.

Since Mr. Rupe would not choose, he is facing the hangman's noose.

But his lawyer contends that if he is beheaded in the process, the state will violate the Eighth Amendment. "This case focuses in a very grisly and graphic way

what capital punishment is all about," said Todd Maybrown, the attorney.

Since his arrest, Mr. Rupe has gained 80 pounds. Although he is not permitted second helpings, he consumes 2,700 calories a day from prison meals and another 2,000 from the inmates' shop, where he is a regular visitor, prison officials said. He also skips exercise, according to officials, who say prisoners are allotted 2½ hours to work out each day.

Those who believe that Mr. Rupe deserves the death penalty describe his appeal as a transparent ruse to eat his way off death row. Ken Capron, whose sister-in-law was killed by Mr. Rupe, told The Seattle Times, "The state has contributed to his defense by allowing him all the extra calories he's getting."

Mr. Maybrown said Mr. Rupe had al-

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Iraq News Agency
The Russian police raiding the Moscow apartment of the chief of the MMM fund Thursday. Page 9.

Belgrade Breaks Off Ties to Bosnia Serbs; Borders Are Closed

U.S. Warning: It Alone Might Lift Arms Ban

Compiled by Our Staff From Dispatches

WASHINGTON — Issuing a fresh threat to the Bosnian Serbs, the Clinton administration warned Thursday that the United States might defy the international arms embargo in Bosnia despite objections from U.S. allies.

The White House chief of staff, Leon E. Panetta, said the United States could unilaterally lift the arms embargo against the Bosnian Muslims if the Bosnian Serbs did not agree to the latest international peace plan. The self-declared Bosnian Serbian assembly rejected the plan Wednesday, calling instead for a referendum Aug. 27-28.

In Geneva, Islamic countries warned that they might arm Bosnian government forces themselves unless the embargo was lifted.

President Bill Clinton had previously opposed unilaterally lifting the embargo so that the Muslims could better defend themselves. He said he preferred that the embargo be lifted by the entire international community.

France and other North Atlantic Treaty Organization allies with peacekeeping forces in Bosnia have said that a unilateral move by the U.S. would expose the peacekeepers to attack.

But Mr. Panetta said in an interview with CNN that Washington could act alone to lift the embargo "if we don't get agreement with regards to the divisions that were agreed to by the Bosnians, by the Muslims, if we don't get agreement by the Serbs and they continue to fight this issue."

The international peace plan would divide Bosnia roughly evenly between the Serbs and the Muslim-Croatian coalition.

The White House press secretary, Dee Myers, said the United States in the next few days would resume negotiations at the United Nations on reinforcing sanctions on the Bosnian Serbs and possibly lifting the arms embargo. She said that lifting the embargo without the backing of U.S. allies would be a last resort, "but the pressure may build to the point that we are forced to take that step."

The White House also reacted positively to Yugoslavia's announcement that it was cutting off all ties with the Bosnian Serbs, but it said it wanted to see action, not just words.

"We've been urging Serbia for a long time to stop resupplying the Bosnian Serbs," Ms. Myers said. "They've sort of indicated they were willing to do that, but I think we'll watch and see if that border actually seals up."

Islamic foreign ministers meeting in Geneva urged strict enforcement of Belgrade's arms ban.

See BOSNIA, Page 8

Milosevic Calls Their Leaders War Profiteers

Compiled by Our Staff From Dispatches

BELGRADE — Yugoslavia on Thursday carried out its threat to sever political and economic ties with Bosnian Serbs following the Serbs' rejection of the latest international peace plan.

Rump Yugoslavia, comprising Serbia and Montenegro, said it would bar entry to all Bosnian Serbian leaders and shut its borders with Serbian-held territory to all goods except food, medicine and clothing.

The Bosnian Serbs have relied on Belgrade for weapons and other supplies during their 28-month-old war against Muslims and Croats.

Within hours of the announcement in Belgrade, a senior Bosnian Serbian official, Vice President Biljana Plavsic, was turned back at the Yugoslav-Bosnian border town of Zvornik.

Serbia's president, Slobodan Milosevic, called on the Bosnian Serbs to dump their leaders, whom he branded "war profiteers." He said they had jeopardized their own people and broken many promises to stop fighting.

"That is why we have to cut off all further relations and cooperation with such a leadership," he said.

Mr. Milosevic, the longtime patron of the Bosnian Serbs, had warned that ties would be severed if they failed to reverse their stance on the peace plan drawn up by the United States, Russia and European Union countries.

But in an escalating power struggle among Serbs, the Bosnian Serbs' self-styled parliament on Wednesday rejected the plan for the third time in less than a month and called for a referendum on Aug. 27 and 28 to endorse the decision.

Mr. Milosevic, the region's main power broker, is widely viewed as the chief instigator of the Bosnian war and the earlier war in Croatia, another breakaway Yugoslav republic.

But Serbia, the dominant state in Yugoslavia, faces a tightening of two-year-old trade sanctions punishing it for its role in the war. Mr. Milosevic apparently wants to stave off further economic damage.

On Thursday, he delivered a scathing attack on Bosnian Serbian leaders, accusing them of "insane political ambitions and greed."

He said the Bosnian Serbian leader, Radovan Karadzic, was "usurping the right to decide the lives" of millions of fellow Serbs in the former Yugoslavia.

Local economists and Western diplomats estimate that from 5 percent to 20 percent of Yugoslavia's gross domestic product has been spent on military and financial support for the Bosnian Serbian forces.

The Bosnian Serbs depend on Belgrade for arms and food supplies. Western officials said the test would be whether Mr. Milosevic did actually seal the border.

In Washington, the White House spokeswoman, Dee Myers, said, "This

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Kiosk

7 Islamic Activists Seized in France

PARIS (Reuters) — France ordered seven Islamic militants to be transported to the east of the country and placed under house arrest on Thursday, a day after five French citizens were killed by suspected Muslim guerrillas in Algiers.

Interior Minister Charles Fiterman said in an interview on TF1 television that he had ordered the seven militants placed under house arrest in the eastern Aisne region. He did not identify them or disclose what they were accused of.

French radio said they included the head of the Algerian Brotherhood in France, a group accused by the police of being a front for supporters of the Islamic Salvation Front in Algeria, which is outlawed there.

Related article, Page 2

World's Most Costly Airport

When the Kansai International Airport in Osaka, Japan, opens in September, it will be the world's most costly airport — so costly, in fact, that some airlines won't fly there. Page 9.

Leisure The Frankfurt Opera is struggling to survive amid subsidy cuts and a bitter internal feud. Page 6.

Book Review Page 7.

| Dow Jones | Trib Index |
|-------------------|------------|
| Down | Down |
| 26.87 | 0.27% |
| 3765.79 | 115.86 |
| | |
| The Dollar | |
| DM | 1.5873 |
| Pound | 1.5357 |
| Yen | 100.475 |
| FF | 5.4325 |
| | 5.3878 |

Iraq News Agency
The Russian police raiding the Moscow apartment of the chief of the MMM fund Thursday. Page 9.

Tehran — Police sealed off the Iranian city of Qazvin on Thursday after two days of clashes that left four people dead and about 100 wounded, witnesses said.

Police officers were out in force in central districts of Qazvin, 140 kilometers (90 miles) from Tehran, and checkpoints were set up outside the city of about 300,000.

Yeltsin Appears Tilting to Right, Perhaps to Head Off Criticism

By Lee Hockstader
Washington Post Service

MOSCOW — President Boris N. Yeltsin appears to be shoring up his political defenses, moving to deflect criticism from the extreme right that has vowed to attack him this fall.

Last month, Mr. Yeltsin paid a visit to a Moscow exhibition hall where openly racist, anti-Semitic and virulently nationalist paintings by Ilya Glazunov were on display.

Last week, senior officials in the Yeltsin government unleashed a snarling verbal attack apparently aimed at toppling the local government of an independence-minded region 1,600 kilometers (1,000 miles) south of Moscow.

This week, Mr. Yeltsin's envoy to the 50th anniversary of the Warsaw Uprising infuriated his hosts when he refused to apologize for the Soviet Army's delay in entering Warsaw as Germans beat down the Polish insurgents, leaving 200,000 Poles dead.

Spadolini, Ex-Leader Of Italy, Dies at 69

ROME — Former Prime Minister Giovanni Spadolini, 69, a highly respected Italian politician, historian, journalist and author, died Thursday.

Mr. Spadolini, a former leader of the Republican Party who became postwar Italy's first non-Christian Democratic prime minister in 1981, died of respiratory failure after a stomach operation last month.

He was one of a handful of postwar Italian politicians untouched by the corruption scandals that have devastated many careers in the last three years.

He became prime minister in June 1981 after the fall of Arnaldo Forlani in a scandal involving an illegal masonic lodge that was portrayed as trying to create a "state within a state."

Commentators said he restored dignity to the post at one of the most difficult times in Italy's postwar history, heading two consecutive governments, Innocenzo Smotkunovsky, 69, Leading Russian Actor

MOSCOW (AP) — Innocenzo Smotkunovsky, 69, one of Russia's greatest theater and movie actors, died Wednesday. He suffered a heart attack four months ago and died in a rehabilitation sanatorium near Moscow.

His first film role was in Mikail Romm's "The Murder in Dant Street" in 1956. In 1964, he became internationally known for his performance in "Hamlet," a movie by the Russian director Grigori Kozintsev.

Mr. Smotkunovsky was the lead actor in the Leningrad (now St. Petersburg) Bolshoi Drama Theater and Moscow's Academic Art Theater.

David Reichmann, 34, a scion of the wealthy Canadian Reichmann family of developers, died Tuesday night in Israel of a heart attack, his lawyer said.

Sol Adler, 85, the U.S. Treasury Department's representative to China during World War II and a translator of Mao's works, died Thursday of lung cancer in Beijing.

Individually, the events may not seem much out of character for Mr. Yeltsin, whose political style is sometimes heavy-handed. But viewed together, they suggest that the Russian leader is determined to protect himself from ultranationalist charges that he is reluctant to stand up in defense of Russia and ethnic Russians in other lands.

"He's got to throw some bones to the far right, because they're too dangerous to just ignore," a Western diplomat said. "But at a certain point, you've got to wonder how much of this is coming from the heart."

Mr. Yeltsin is by no means adopting the nationalist agenda, which includes calls for the restoration of the Russian empire on the territory of the former Soviet Union.

His government has balked at a currency merger with impoverished Belarus, suggesting that economic sense triumphed over nationalist appetites.

And only last week, he agreed to withdraw Moscow's remaining 2,000 troops from Estonia, a move that ensures all Russian forces will have departed from the three Baltic republics by the end of August — satisfying Washington and European leaders.

Yet, on other issues where the political price is apparently modest, he seems willing to play to nationalist, even chauvinistic, public opinion.

For liberals who once thought of Mr. Yeltsin as their darling, perhaps the most disconcerting example was the president's tour last month, with journalists in tow, of a Moscow exhibition of the works of Ilya Glazunov.

Mr. Glazunov bills himself as a super-patriot, but anywhere else — certainly in the West — he would be considered a hater-monger. The protagonists of Mr. Glazunov's paintings are Russians. They are depicted as strong, brave and ready with a rifle. The villains are blacks, Jews and ethnic minorities. His slogan is "Glory to Russia. Russia for Russians."

The opening of the exhibit was attended by Vladimir V. Zhirinovsky, the extreme nationalist politician, and the Communist Party leader, Gennadi Zyuganov — not the sort of political company Mr. Yeltsin usually keeps.

Last week, a number of high-ranking Russians denounced Chechnya, a small, predominantly Muslim republic in the Caucasus, near the Caspian Sea, which declared its independence from Russia in 1991.

Chechnya's self-proclaimed independence has gone unrecognized, and for most of the past three years — with the exception of a brief military intervention in 1992 — Moscow has ignored the breakaway region, despite allegations that it has become a center of organized crime, kidnapping and narcotics smuggling.

But after a seizure of bus passengers by Chechens led to a shootout that left several hostages dead, the Kremlin lost its temper and made it clear it would no longer tolerate the rebel leader, Dzhokhar Dudayev.

Chechens officials accuse Russia of planning to invade the tiny republic. Moscow denies this.

Although Mr. Yeltsin so far has left the denunciations to his senior aides, the get-tough stance could placate nationalists who say Moscow has allowed its far-flung, independence-minded regions too much leeway.

The Kremlin's refusal to apologize for the Soviet Army's delay in liberating Warsaw 50 years ago is also likely to go down well with nationalists.

For many Poles, it is an article of faith that the Nazis' bloody suppression of the Warsaw Uprising was at least tacitly supported by Stalin, whose troops waited for two months just outside Warsaw as the killing and destruction went on.

Historians say Stalin permitted the brutality, hoping the Poles would be incapable of resisting when the Red Army took Warsaw.

WORLD BRIEFS

Israel Apologizes for Lebanon Deaths

JERUSALEM (Combined Dispatches) — In a highly unusual move, the Israeli Army acknowledged bombing a civilian target during an air raid on guerrilla bases in southern Lebanon. It apologized for the error.

Lebanese security sources said 10 civilians were killed in the raids, including four children. The raids were the first since Israel threatened a "painful response" last week after guerrilla attacks on its troops in southern Lebanon.

While Lebanese officials have often accused Israel of harming civilians in attacks, Israel has rarely made such an acknowledgment. It usually has blamed its enemies for causing civilian casualties by putting bases near populated areas. (AP, Reuters)

German Army Lists Neo-Nazi Cases

BONN (Reuters) — The German Army has investigated 23 cases of neo-Nazi behavior in its ranks so far this year, a spokesman for the Defense Ministry said Thursday.

The spokesman added that about 50 cases were investigated in 1993, a slight drop from more than 60 in the previous year.

Germany's Monitor television program reported Thursday that army recruits in a brigade regarded as suitable for eventual deployment in United Nations missions had been forced by a superior to sing a banned Nazi song while they marched. The incident is being investigated.

Spain Fishermen Draw U.K. Protest

LONDON (Reuters) — Britain protested to Spain on Thursday over attacks by Spanish fishermen on British trawlers in the Bay of Biscay in a dispute over tuna fishing. The Spanish accuse British fishermen of using nets longer than authorized by European Union regulations.

Two British trawlers have been attacked in the past 24 hours, with angry Spanish fishermen surrounding the craft far out at sea and cutting their tuna nets, a fisherman's spokesman said.

Britain sent a gunboat to the area Thursday and issued a diplomatic protest to the Madrid government, saying Spanish fishermen must not be allowed to "improperly harass" British crews. "We made it clear that any such action should be prevented by the Spanish and any offenders dealt with appropriately," the Foreign Office said.

Corrections

A caption in editions of July 19 incorrectly explained an Agence France-Presse photograph of a woman kissing her brother's tombstone in Sarajevo. As the symbol of mom and star on the tombstone showed, both the woman and her brother should have been identified as Muslims, not Serbs.

Because of an editing error, an article in Wednesday's editions incorrectly characterized Samsung Co.'s automobile activities. The company's planned partnership with Nissan Motor Co. has not yet begun.

TRAVEL UPDATE

French Air-Control Slowdown Ends

AIX-EN-PROVENCE, France (AP) — With the patience of airlines at an end, air controllers in southeastern France voted Thursday to stop their work slowdown and ease the delays crippling vacation traffic.

"We're conscious of having caused problems for air transport users, we're sensitive to the problems of vacationers, and we don't want to be ostracized by society," said Pierre Bossy, head of the regional controllers union. Earlier, 27 of the 43 airlines using the Nice airport demanded that civil aviation authorities intervene to end the dispute, which was costing the carriers millions of dollars.

The bodies of the five Frenchmen — three paramilitary gendarmes and two consular officials — were being flown to Paris on Thursday.

The French government also announced measures to increase security for its remaining staff in Algeria.

No one has claimed responsibility for the shooting, in which gunmen drove a booby-trapped car into the guarded compound where about 70 embassy staff live. The bomb, timed to go off half an hour later, was defused.

Mr. Pasqua said that while the Algerian government was "not a model of democracy," it was "rubbish" to think that Islamic moderates might take power there.

He was commenting on a statement by President Zine El Abidine ben Ali of Tunisia, who said Britain, France and the United States allowed fundamentalist guerrillas to operate freely in their countries "in the name of freedom and democracy."

French air traffic controllers, whose five-month go-slow over pay and benefits has caused long delays, now warn that they cannot guarantee the safety of flights. The union said in a statement that the safety level of flights is at a critical point.

Spain has smoothed the way for a British company, Cenargo International Ltd., to start a ferry service from the southern Spanish coast to Nador, Morocco, by deciding to make Almeria an international port, a spokesman for the Spanish Interior Ministry said.

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A strike by 70 flight attendants on the SAS Commuter airline Thursday grounded most of the carrier's routes, mainly in north Norway. The union broke off talks with the subsidiary of SAS after management rejected a demand for a 1.7 percent wage increase in 1994 and a 1.9 percent increase next year.

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A full bus service was expected to be restored Thursday or Friday in Los Angeles after the end of a strike by Metropolitan Transit Authority mechanics.

(LAT)



Yasser Arafat sitting at his desk Thursday in Gaza, where he is urgently seeking aid for the cash-poor Palestinian areas.

A PLO Guerrilla's Widow Returns to Gaza

By Joel Greenberg
New York Times Service

GAZA — At sunrise on the first day of July, Intissar Wazir rode across the Allenby Bridge from Jordan into the West Bank town of Jenicho, returning to the land she calls Palestine after more than 30 years.

Then Mrs. Wazir — widow of Khalil Wazir, the late military chief of the PLO, who is believed to have been killed by Israeli commandos — traveled through Israel to her native city of Gaza with an Israeli escort.

Her once unthinkable journey was overshadowed that day by the arrival in Gaza of Yasser Arafat, but it was no less a sign of the sweeping changes brought about by the accord between Israel and the Palestine Liberation Organization.

For many Palestinians, Mrs. Wazir, 52, is a living monument to her husband, who was killed six years ago and is revered here as the architect of the "armed struggle" against Israel.

Back in Gaza for the first time since 1963, when she left to join her husband in Jenicho, Mrs. Wazir sat in a living room with some of her children, surrounded by portraits of her husband. She spoke without rancor about Israel and its people.

Mr. Wazir, who was known as Abu Jihad, directed raids and terrorist attacks on Israel, and, before his assassination, he guided a Palestinian uprising in the occupied territories from his headquarters in Tunis. A founder of the Fatah movement with Mr. Arafat, he remained his deputy and confidant for three decades.

Mr. Arafat paid tribute to Abu Jihad by appointing Mrs. Wazir the minister of social affairs in his provisional government, making her the only woman in the Palestinian National Authority for Gaza and Jenicho. She says she was the first woman to join Fatah, in 1959, and, in recent years, she has been in charge of PLO financial aid to families of Palestinians killed and disabled in the conflict with Israel.

She got her first glimpses of modern Israel on the drive from Jenicho to Gaza, and then again a few days later on a trip to Nazareth for the funeral of an Israeli Arab member of Parliament.

"I hope we can live together in peace," she said. "We've turned over a new leaf."

Mrs. Wazir, who witnessed the killing of her husband by gunmen who burst into their home in Tunis, said memories of past violence were not a barrier to reconciliation.

"I'm looking to the future, and I don't want the tragedy to continue," she said. "We need peace for both Israeli and Palestinian children, so other families won't have to go through what we did. The two peoples can build strong ties after we achieve our rights."

She got her first glimpse of modern Israel on the drive from Jenicho to Gaza, and then again a few days later on a trip to Nazareth for the funeral of an Israeli Arab member of Parliament.

"It's a very beautiful country," she said. "Great efforts were made to raise it to such a high level of civilization. I hope we can live with each other."

really looking for a free holiday with pocket money.

"There seems to be some rumor going round that you can get a bargain holiday in Holland by pitching up and requesting asylum," a Justice Ministry spokesman said.

"These youths staying at reception centers are throwing parties, drinking alcohol, starting fights."

About 500 youths, mostly Romanians, have arrived at centers in the last two weeks and used the facilities — shelter, food and \$15 pocket money a week — but have shown no serious interest in asylum.

Defense Secretary William J. Perry opposed a recommendation that would set a deadline for an invasion if the Haitian military leaders do not leave, the officials said. Mr. Perry and much of the U.S. military want to avoid an invasion and are willing to explore ways to

induce Haiti's leaders to leave for a comfortable life in exile.

But Defense Secretary of State Strobe Talbot, who has emerged as the State Department's chief policymaker on Haiti, argued that offering incentives to the leaders was morally repugnant, senior officials said. Mr. Talbot was said to favor an early invasion.

In a sharp exchange at the Tuesday meeting, Mr. Perry countered that Mr. Talbot represented a strange morality.

He argued that it would be immoral for the United States not to do whatever it could to avoid the loss of lives of American soldiers and the expenditure of taxpayers' money, officials said.

At a news conference Wednesday night, Mr. Clinton laid out the "fundamental interests" that he said would justify an invasion, saying he was keeping his options open.

"We have kept force on the table," he said. "We have continued to move it up as an option as the dictators there have become more obstinate. But it is premature in my judgment to go beyond that now."

He also said that although he welcomed congressional support for a decision to invade, lack of it would not prevent him from acting.

"I would welcome the support of the Congress, and I hope that I will have that," Mr. Clinton said. "But like my predecessors in both parties, I have not agreed that it was constitutionally necessary to get it."

Several participants at the meeting on Tuesday agreed with Mr. Perry's analysis, senior officials said.

The views of the two officials reflect the extremes of the administration's thinking on how best to restore Haiti's exiled president, the Rev. Jean-Bertrand Aristide.

Mr. Talbot is said by his colleagues to favor an invasion soon, within the next several weeks; Mr. Perry, while not opposed totally to the use of force, wants to exhaust all other options first, even if that means promising Haiti's top three military officials that they will not be punished for their repression.

In Tuesday's meeting, Mr. Perry argued strongly against a deadline for an invasion, saying that that would artificially constrain the administration's room for maneuvering.

"Perry felt that it put the United States into a box," said one senior administration official. "And the Pentagon doesn't like boxes."

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THE AMERICAS / FACING REALITY

Clinton Seems Open To Coverage Limit

President Says Mitchell's Bill Meets Health-Measure Goals

By Ann Devroy and Dan Balz
Washington Post Service

WASHINGTON — President Bill Clinton has begun lobbying heavily for health care legislation that would cover 95 percent of the population, putting aside his strenuous arguments of only two weeks ago that such coverage would not achieve his "rock-solid principle" of universal coverage.

In 30-minute news conference on Wednesday night, the president described dramatically different versions of legislation pending in each house of Congress as achieving the same "central reality" of covering all Americans. But he returned often to legislation sponsored by the Senate majority leader, George J. Mitchell of Maine, that would extend coverage to 95 percent of Americans by 2000.

"I believe it does meet the objectives that I set out in the State of the Union address and I would sign it," Mr. Clinton said.

Complaining that Republicans "moved away" each time Democratic tried to reach a compromise, Mr. Clinton said, "We have reached out to them."

He added: "The questions should shift to them. Are we going to cover all Americans or not?"

Mr. Clinton deftly avoided answering some questions, such as how he could support two bills that take such starkly different approaches and appear in some ways inconsistent with what he originally sought.

"I'm not going to get into being a legislator," he said. Instead, he said he hoped the coming debate in Congress would "grasp the imagination of ordinary citizens" and create a climate for passage of a bill that "works, that solves the human problem."

Even before Mr. Clinton spoke, Republicans had accused him of using the Senate version of the bill as a Trojan horse for the House bill sponsored by the Senate majority leader, George J. Mitchell of Maine, that would extend coverage to 95 percent of Americans by 2000.



President and Mrs. Clinton greeting "Health Security Express" bus riders at the White House this week. The "express" is a series of bus caravans that have transported more than 600 people to Washington to promote universal health care.

Altman: Latest Victim of Washington Inquisition

By David E. Rosenbaum
New York Times Service

WASHINGTON — As the deputy Treasury secretary and for many years before as a prominent and prosperous Wall Street investment banker, Roger C. Altman has been used to giving orders, to cutting deals, to being in charge.

But this week he has been anything but in command. He has been subjected to a form of torture peculiar to Washington: the televised congressional hearing.

For a total of almost 15 hours, from 3 P.M. Tuesday until 2 A.M. Wednesday and again Wednesday from 9:30 A.M. until after 3 P.M., Mr. Altman was forced to sit passively and respectfully, like a small boy in the principal's office or a motorist stopped for speeding, as lawmakers of both parties lectured him, reviled him and occasionally even questioned him.

There was no break for dinner. Mr. Altman ate fruit and crackers that his wife, Jurie Kazickas, had brought along.

In many respects, this ordeal was his own fault. Even when he is trying to be warm and helpful in his public appear-

ances, he has a bearing, a way of weighing his words ever so carefully, that can give the appearance more of cleverness than of truthfulness.

About 1 A.M. Wednesday, out of the blue, Mr. Altman, 48, told the senators: "Well, today is my son's 9th birthday. I'm a little sorry to say that I didn't talk to him today. It's not likely that he's still watching. But if he sees the tape or something, I want him to know I love him."

His friends say Mr. Altman is a devoted father. But to Mr. Altman's critics, his sentiments sounded like a calculated attempt to improve his image.

Roger Altman is, of course, the first person to face the political equivalent of the third degree.

To take perhaps the most famous example, 21 summers ago, the former Nixon White House counsel, John Dean, sat in front of the Senate Watergate Committee for five days running and told what he knew about Watergate.

In those days, senators, witnesses and spectators alike smoked their way through the sessions. Mr. Dean, who had a three-pack-a-day habit, did not

smoke in public even during the breaks. Lawmakers think nothing of forcing witnesses to testify long into the night, especially when the hearings are on television. The last day of the Clarence Thomas-Anita Hill hearings in 1991 lasted until 2 A.M., just when prime time ended on the West Coast.

Working late, after all, is part of the congressional routine. One or two times a week, the Senate does little business during the day and then stays in session past midnight.

Just last week, House and Senate negotiators on crime legislation met until 2:15 one morning. At 5 A.M., Senator Joseph R. Biden Jr., a Democrat of Delaware and the chairman of the conference committee, called the others at home to announce that they would reconvene at 8:30.

Still, there is something unusual about congressional investigations, something almost extraconstitutional, neither legislative nor judicial, where badgering witnesses is in order and normal rules of courtesy do not apply.

Senator Sam J. Ervin Jr., who was chairman of the Watergate committee,

once put it this way: "The congressional investigation can be an instrument of freedom. Or it can be freedom's scourge. A legislative inquiry can serve as the tool to open the barriers that hide governmental corruption. It can be the catalyst that spurs Congress and the public to support vital reforms in our nation's laws. Or it can debase our principles, invade the privacy of our citizens and afford a platform for demagogues and the rankest partisans."

■ First Lady's Aide Testifies

With Hillary Rodham Clinton's chief of staff on the witness stand, Senate Republicans sought to show Thursday that the first lady was far more interested in the Whitewater affair than the White House has acknowledged. The Associated Press reported from Washington.

Margaret Williams testified that she did not recall telling Mr. Altman that Mrs. Clinton "was paralyzed" by Whitewater.

In a diary subpoenaed by the panel, Mr. Altman quoted her as making such a statement.

★ POLITICAL NOTES ★

Cabinet Battle Against 'Disinformation'

WASHINGTON — President Bill Clinton enlisted his cabinet Thursday in a stepped-up campaign to counter what officials called a "disinformation campaign" by administration critics against his health program.

"He told us this is it," said the secretary of health and human services, Donna E. Shalala. "It's time to mobilize every bit of energy we have in this administration to take the next steps to health-care reform."

With polls showing Americans worried about how health legislation could affect them personally, Mr. Clinton himself will appear in a nightly series of television ads promoting his program, and cabinet members will increase their travels and news interviews. (AP)

No Vacations Now for Lawmakers

WASHINGTON — House leaders have told members to unpack their suitcases and put their August vacation plans on hold. Like the Senate, the House will be ordered to stay in session until health legislation has been passed or defeated.

House Speaker Thomas S. Foley, Democrat of Washington, said through a spokesman that he still hoped to take up the issue next week, but he conceded that drafting and accounting problems could force the House to meet a week past its scheduled Aug. 12 summer break. (WP)

Too Busy to Watch Whitewater

WASHINGTON — What Whitewater hearings? That is the determined position the White House is taking as it endures the second week of senior administration officials being grilled by the House and Senate Banking committees.

President Bill Clinton, officials are at pains to say, is not watching the hearings, or even being briefed daily by his counsel, Lloyd N. Cutler, about what has transpired each day. "He's got many other things to fret about," one senior official said. "He may catch a bit of it on the TV news."

Likewise, White House Chief of Staff Leon E. Panetta "has seen maybe five minutes" of the hearings, said his spokesman, Barry Toliv. (WP)

An Upgrade for Science Spending

WASHINGTON — The Clinton administration has announced its intention to increase the nation's overall spending on science and technology research to a level equivalent to those of Japan and Germany.

At a news briefing, Vice President Al Gore presented a report, "Science in the National Interest," that outlined the administration's commitment to expanding its support and making science and technology "a top priority" in budgets.

Dr. John H. Gibbons, assistant to the president for science and technology, said the U.S. government and industry together were spending 2.6 percent of the gross domestic product on nonmilitary science, and he said the goal was 3 percent, roughly the amount spent in Germany and Japan. But he added, "We haven't translated that figure into specific programs for the future." (NYT)

Quote/Unquote

John Cox, a newly widowed broadcaster from Athens, Texas, relaying a message to the Clintons from his wife, who delayed seeing a doctor because his new job lacked insurance benefits, only to discover that she had stomach cancer: "Tell them that unless every person, no matter how rich, no matter how poor, no matter how middle class, no matter what color — unless they have affordable, guaranteed, universal health coverage, every other American is at risk." (NYT)

Unlikely Alliance Is Blocking Crime Bill

By Katharine Q. Seelye
New York Times Service

WASHINGTON — The Clinton administration's comprehensive crime bill, which last week seemed on its way to final passage in Congress, has run into an 11-hour threat from political forces similar to ones that brought down crime bills in past years.

A strange alliance of gun supporters, blacks and Republicans has moved to block the bill, a compromise worked out last week by House and Senate negotiators from reaching the House floor for a final vote. The maneuvering has prompted

President Bill Clinton to step up the fight for the measure.

"We have a chance to pass the toughest, smartest crime bill in the history of the United States, after six years of bickering over it," Mr. Clinton said Wednesday night.

"We are fighting them," he said, referring to what he called the "special interests" opposing the bill.

All sides agreed that the Democratic leadership did not have the votes to move the bill to the floor, and no floor vote has been scheduled. The \$30 billion measure would provide for preventive programs, stiffer

punishments and new prisons. The bill is chiefly snagged on a proposal to ban 19 assault weapons, a measure that was originally opposed by nearly half the House members. Those members are now under intense pressure from the National Rifle Association to vote against moving the bill.

At the same time, some members of the Congressional Black Caucus oppose the bill because it limits a measure intended to protect death-row inmates from racial discrimination and because it greatly expands the instances in which the death penalty can be applied.



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Potential Simpson Witness Offers to Take a Polygraph

Compiled by Our Staff From Dispatches

LOS ANGELES — A potential defense witness in the O.J. Simpson murder case went on television Thursday to insist he was telling the truth about seeing two white men running away from the crime scene.

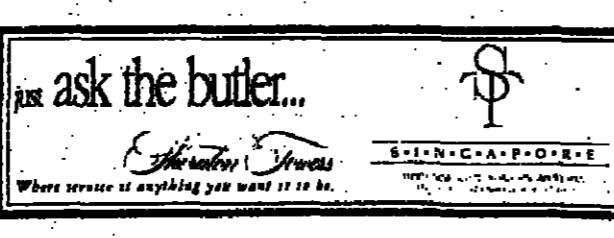
The potential witness, Frank Chiuchioli, 43, an admitted burglar with a lengthy criminal record, has told police and defense investigators that he saw two burly white men running from the murder scene around the time when Nicole Brown Simpson and her friend Ronald L. Goldman were murdered.

Mr. Chiuchioli's credibility was put in doubt Wednesday when the San Francisco Examiner published a report that he had offered false evidence in

other high-profile cases, including that of Polly Klaas, a 12-year-old girl who was kidnapped and murdered in northern California in 1993.

On Thursday, he asserted on several local television programs that he was telling the truth in the Simpson case and was willing to take a polygraph test. He said he was casing homes with the intent of committing a burglary when he saw the two men.

"All I know is that two white men left the scene of the crime," he said on the Los Angeles television station KTTV. "These guys were white. I didn't see any black guy. I didn't see a white Ford Bronco." That was a reference to Mr. Simpson's vehicle. (Reuters, AP)



International Herald Tribune

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War Crimes in Rwanda

There is no doubt that horrible war crimes have been committed in Rwanda. But Prime Minister Faustin Twagiramungu's determination to proceed with the trial and execution of thousands of战犯's justice. Mass trials in suspect circumstances can now only deepen the divisions that have caused 2 million Rwandans, most of them Hutu, to flee a country whose victorious revolutionaries are mostly Tutsi. Far better for the world as well as Rwanda to seek justice before an international tribunal under United Nations auspices. Mr. Twagiramungu believes that such a process could take too long to organize, but it need not.

The world has long lacked a permanent tribunal, where soldiers as well as civilians could be brought to account for war crimes. In its absence, temporary tribunals can be established to deal with the crimes committed in particular conflicts. The UN Security Council has approved creation of an international tribunal to punish crimes against humanity in the former Yugoslavia, and a team of investigators has already developed dossiers on mass killings there.

The crimes perpetrated in Rwanda, where upward of 500,000 civilians were butchered, cry out for the same UN response. But Rwanda's prime minister wants to try the crimes just committed against his people in a national court. He cites punishment of war criminals by such courts after World War II in France and Germany as an antecedent — but he ignores the more compelling precedent.

During World War II, the Allies served notice that individuals would face trial for such crimes as the murder or ill treatment of civilians and wanton devastation not justified by military necessity. This prepared the way for the International Military Tribunal at Nuremberg, which

— THE NEW YORK TIMES

Warsaw Statesmanship

In the symbolism of international politics, it makes a difference who gets invited to the party. The guest lists are particularly significant in the succession of 50th anniversary celebrations that commemorate the great events of the last year of World War II in Europe, a continent now in the process of knitting itself back together after many years of division.

In June, the Western Allies held a huge party on the anniversary of the Normandy invasion, but did not invite either their Eastern allies or their former enemy — an opportunity missed for statesmanship. But in July, marking the anniversary of the liberation of Paris, the Bastille Day parade included German soldiers. The tight rapport between France and Germany has been for nearly four decades the foundation of the new Europe. Now in August, the Poles have just commemorated the beginning of a heroic and doomed battle, the Warsaw Uprising. Poland's President Lech Walesa invited both the Germans and the Russians.

You will not find a more moving example of magnanimity. The uprising was one of the great betrayals of a cruel time. In the summer of 1944, as the Soviet armies approached Warsaw, their radios urged the Polish Home Army, an unarmed guerrilla force, to rise against the Nazi occupation. When the uprising be-

— THE WASHINGTON POST

Right and Wrong on Trade

This was the week for the Clinton administration to play tough on trade. It threatened to retaliate unless Japan reversed government procurement policies that discriminate against U.S. telecommunications and medical equipment. And it bludgeoned Canada into agreeing to reduce wheat exports to the United States for a year while a commission reviews an ongoing dispute about such exports. The fighting stance toward Japan is justified, although the administration threatens to carry it to excess. The decision to shut out Canadian wheat, by contrast, amounts to an assault on U.S. consumers — the price of Mr. Clinton's promise to bail out Midwestern farmers whose support he desperately needed in Congress to pass the North American Free Trade Agreement.

Government purchasers in Japan blatantly discriminate against U.S. equipment manufacturers, perhaps because Japanese companies bribe local officials. Whatever the cause, the solution is for government procurers to adopt open bidding and contract procedures that would expose underhanded deals. So far, the Japanese have refused to do so, which justifies the administration's threats.

Yet even if the Japanese were to concede on procedural issues, the dispute would not end, because Mr. Clinton is fixated on getting the Japanese to swallow numerical targets to measure compliance. For example, he wants Japan's government to increase purchases from U.S.

— THE NEW YORK TIMES

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The Harassed Clinton Presidency May Be Unraveling

By E. J. Dionne Jr.

WASHINGTON — If you talk these days to President Bill Clinton's supporters, including some officials of his administration, you find them depressed. Something has gone terribly wrong.

Here is an articulate, activist president presiding over one of the most vigorous economic recoveries in years, yet his ratings go down as the economic numbers move up. The principles of his health care plan — universal coverage paid for mostly by employers — are broadly popular, yet as soon as you stick the "Clinton" label on the proposal, support falls through the floor. This seems to be the only case in recent history where stamping "Made by the U.S. Congress" on a program might make it more popular.

When some terrible event happens, like the murders for which O. J. Simpson faces trial — many Clintonites experience a grim sense of relief. They figure that at least for a couple of weeks the media will lay off attacks on the president.

It must also be said that all these problems have been aggravated by the extraordinary level of personal attack against Mr. Clinton — and on so many fronts. John Kennedy's love life and Lyndon Johnson's past business dealings never got a going over comparable to what Mr. Clinton is experiencing.

Franklin Roosevelt could be at least as cagy in getting pardons on all sides of an issue to believe that he empathized with them, but it was seen as "flexibility." Ronald Reagan compromised much more than people remember, yet few accused him of selling out.

about Mr. Clinton's integrity. At some point, people get tired of this. First they might blame the media for being negative, but then they start blaming their president. They just do not want their chief executive to be the subject of so many doubts, questions, rumors and jokes.

Whitewater engulfed the White House itself. It hit at the very moment when a new strategy was badly needed to get the health care plan moving. The White House's short-term, campaign mentality sent everyone scurrying to beat back this one story, and much else dropped by the wayside. Allies turned on allies as the administration was gripped by the Great Fear that scandals produce these days.

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The central problem is that in the midst of all the spin and the messages-of-the-week, voters have lost sight of Mr. Clinton's purposes for being president. Take a look at the Washington Post.

The last campaign. It is forgotten that the 1992 Clinton campaign was built around a straightforward theme: government's need to respond to fears of "the forgotten middle class." Mr. Clinton talked about programs to retrain the work force, to educate kids for a more competitive environment, to ease the transition from old jobs to new jobs.

He still loves this rhetoric, and a variety of programs have been launched. But mostly they are not very visible, having been ground into small pieces by budget pressures. The fact that what was so essential to the campaign has been a sideshow to the presidency feeds the sense that President Clinton is a different man from Candidate Clinton.

The last task force. It is retrospective, it is easy to see that having a health care task force largely divorced from the normal workings of administration and congressional politics was a mistake. Much of the compromising now going on at the last minute could have been done much earlier. The task force should have served as staff to a joint administration-congressional effort. Hillary Rodham Clinton could have played the popular role of chief broker and conciliator, short-cir-

cuiting some of the vicious attacks she came under. Most important, the whole process would have looked less technocratic, focused on principles and purposes rather than on esoteric details.

The last values. Mr. Clinton's single most effective speech as president was his address to a convention of black ministers in Memphis. He spoke movingly about racism and personal responsibility, family breakup, the moral costs of unemployment and crime. He argued that government had a role to play in solving problems, but that only individuals and communities could solve America's moral crisis. Instead of looking slippery, he looked gassy. He did so while saying things that most Americans felt they needed to hear. Why was this emphasis lost?

The central threads of the Clinton presidency have disappeared. Mr. Clinton is said by friends to believe himself that his presidency is in peril. That is why he chose to take an important first step back from the brink with his press conference Wednesday night. He tried with some success to remind voters of the Clinton they had elected 21 months ago.

He will need to do much more of this. His best defense against all the personal charges has always been that he was in politics to do big things. When voters can no longer see those large purposes, the personal overwhelms the political.

The Washington Post

The Point Is That Congress Is Supposed to Get the Whole Truth

By William Safire

WASHINGTON — Why have the Riegle hearings on the Whitewater scandal brought credit to the Senate, while the Gonzalez circus has brought ridicule on the House?

Because the essence of the Senate hearings is not about the abuse of the banking system by the Clintons, or even about White House attempts to impede or wrongdoingly investigate an investigation. They are about the constitutional requirement that the Congress be told the whole truth.

The tenor of the Senate hearings has changed. A week ago, Democratic senators were pooh-poohing the investigation as partisan poking around. Now Republicans are giving some of their questioning time to the other side because Democrats are acting as members of the legislative branch being deceived by the executive branch.

A generation ago, Congress

and the courts came down hard on a CIA chief, Richard Helms, for doing what he saw to be his duty in concealing a covert action. In the '80s, the Reagan appointee Elliott Abrams was convicted, again not for lying but for "willfully and knowingly" failing to answer "fully and completely" about material information by a Senate committee.

The latest example of incomplete testimony, subtracting a significant fraction from "the whole truth," was not to protect national security but to help a friend, the president, avoid political embarrassment.

Treasury's Roger Altman plainly withstood a series of questionable contacts and heated discussions of refusal from probing senators this spring. Yet the Clinton-appointed counsel, Robert Fiske, and the Office of Government Ethics saw no evil.

Lloyd Bentsen's, was shown her memo and written reports of phone conversations. Five times she claimed to have "no independent recollection" of the information in the documents, but she did not dispute their accuracy.

That is a slippery lawyer's way of saying "I don't remember, so you can't ask me more about it."

(I am looking at, although I have no independent recollection of, a cartoon by James Thurber showing a prosecutor saying to a witness "Perhaps this will refresh your memory" as a large kangaroo is brought into court.)

The cloak of falsity goes to the top. For more than a year, the White House has been saying that Whitewater files were sent

from Vincent Foster's office after his death to the Clintons' private attorney. At a much praised press conference in April, Hillary Clinton was asked if her top aide, Margaret Williams, had removed documents from Mr. Foster's of-

fice. "I don't think that she did remove any documents," Mrs. Clinton answered. She said, "Mr. Nussbaum distributed the files according to [who] he thought should have them."

But Newsweek reveals that Bernard Nussbaum let Maggie Williams take the Whitewater files; she spoke to Hillary in Arkansas and was told to lock them in a closet in the family quarters of the White House. Five days passed before they were turned over to the Clintons' lawyer, who arranged for their continued secrecy under subpoena. Mrs. Clinton's answer was not an outright lie, only "incomplete," intended by the first lady to mislead.

Deceiving the press with a half-truth is not a crime. But willfully failing to answer fully to the Congress is a violation of law. Only a misdemeanor — but it helps preserve the American system of checks and balances.

The New York Times

On Bosnia, It Matters That Russia and the West Stick Together

By William Pfaff

PARIS — Russia's position regarding Serbia is more complex than commonly credited. It has also evolved, as the political situation in Russia has evolved.

It is not true that Russia is the Serbs' "ally." The Russian government finds the Serbs today a nuisance and embarrassment, as its public statements in recent days have made plain. However, Moscow has also been able to make use of Serbia in its own rehabilitation as a world power, at Serbia's expense.

Russia's Serbia policy is the result of internal political considerations and the shifting balance of power in Moscow of democratic and nationalist forces, and between the enemies and the friends that Serbia chose to begin for its own aggrandizement.

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Russia is not moved by pan-Slav sentiments. Bosnians and Croats are Slavs, too. The Serbs, like the Russians, are Orthodox in religion, but the resultant political ties have proved slender.

Christian motivation is not evident in either Russian or Serbian policy. The Russian people, pious or otherwise, have more urgent things to concern them than the adventures of the Serbs in a war that Serbia chose to begin for its own aggrandizement.

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When the Yugoslav war began, democratic forces in Russia sympathized with those Serbs opposing the national-Communist Slobo-

bodan Milosevic and accepted the idea that recognizing Slovenia and Croatia as independent countries would help stabilize the situation. But this was also a tumultuous period when the Russian government really had no foreign policy. As one well-placed Russian analyst has noted, "There was a minister of foreign affairs, but no ministry."

An important part of the political class believed then, and believes now, that Russia's long-term interest lies in cooperation with the Western powers. In Yugoslavia, Russia was naturally in a position to serve as intermediary between the Western powers and Serbia. It assumed this crucial role in 1993 — to the alarm of many in the West, for whom it

represented the "return of Russia" to the Balkans.

Other groups in Moscow have supported closer relations with the Milosevic government or have made common cause with extreme Serbian nationalists, in order to fire nationalist sentiments in Russia and embarrass Mr. Yeltsin. Their actions have little or nothing intrinsically to do with Serbia, but are directed to influencing the domestic power struggle in Russia.

There are also those in Moscow, among them people from the democratic opposition, who conclude that Washington's policy on the Yugoslav war — meaning the rhetorical support the Clinton administration and Congress have given to the predominantly Muslim Bosnian government, and Washington's threat to lift the arms embargo — expresses an American aim to dismember not only Yugoslavia but, eventually, Russia itself.

Here we enter the clouded zone of European, and particularly East European and Russian, political paranoia. If you argue that American foreign policy and Washington politics are both driven by extremely short-term domestic political and "image" considerations, you are not, in these circles, taken seriously.

It is taken for granted that Washington has a long-term program to weaken rivals and prevent the emergence of new power centers. Serbia must be blocked from becoming a major European power. Historical Russia must be broken up so as to give the United States — or Germany — permanent domination of Europe.

(Such theories generally hold Germany to be Washington's puppet, or Washington Germany's, or both to be occidentally controlled by the Vatican, or by both in collusion.

Despite their disagreements, the Western powers and Russia have managed to speak with one voice. They have made some progress toward peace. But even if they make no progress at all, it is of fundamental importance that they continue to act together and take great pains to understand one another.

International Herald Tribune

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should control the privatization of all enterprises, buildings and land within Moscow's city limits. Cynics decry this decision, seeing it as a giant land grab by the mayor and his friends. There had already been complaints when the mayor directed that all financial transactions with the city be conducted through the Mosbank, which is widely thought to be under mafia control.

In the same spirit, several prospective foreign tenants in city-owned office buildings have been told to send half of their rents to the Moscow real estate office and the other half to the Swiss bank accounts of various Moscow municipal officials. In such a climate of corruption, manipulation and crime, it is not surprising that ordinary citizens should feel that they, too, should be able to share in the wealth.

Beyond the personal losses suffered by 5 million to 10 million investors, the MMM collapse has harmed the whole economic reform process. It reinforces those who questioned the wisdom of moving to the market; this in turn will strengthen resistance to further reform. A collapse of this magnitude is certain to spark calls by extremists like Vladimir Zhirinovsky to halt the move to the market and reinstate some old state economic controls.

Reformers should realize that ill-considered economic reforms are not costless. They give rise to economic and political extremes and in the long run prolong rather than facilitate the reform process.

But the roots of the problem go beyond avarice and naivete. Russia's poorly conceived and rapidly applied economic reforms play a role. The public was encouraged to embrace stock markets and investment schemes by the government, which believed that such public involvement would further the reform process.

But this push came before there was an effective network of competitive private businesses in which to invest. Because the economic reforms were so poorly designed, most farms remained collectivized and little attention was

paid to creating a vibrant private service and manufacturing sector.

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OPINION

The Need Is For an Army Of Workers

By William Raspberry

WASHINGTON — The decline of the American factory, some serious observers believe, marked the birth of that jobless, hopeless and dispirited group we have come to call the "underclass."

And it may be that the best hope for redressing this wasted (and frequently dangerous) cohort is to establish again the functional equivalent of the factory.

The problem is clear enough: The high-tech jobs the economists say are the wave of the future may turn out to be a very good thing for those with the wherewithal for college or technical school. But they are mostly beyond the reach of the underclass — and there is precious little evidence to support the hope that government job-training schemes will make much difference.

What will? Perhaps a 1990s equivalent of the industrial plants that, while requiring only a sense of responsibility and a willingness to work hard, lifted at least two generations of Americans out of their poverty and turned them into productive and proud citizens.

That was the point H. B. Price made in his remarkable maiden speech last week as president of the National Urban League.

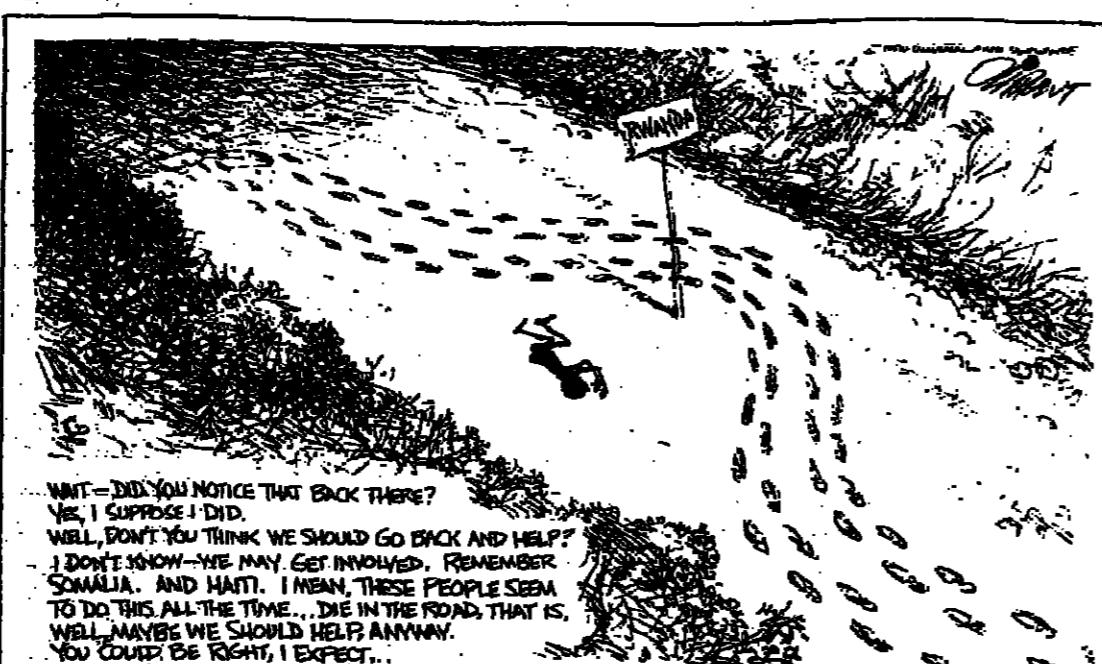
In case you were disturbed by Mr. Price's warning that African-Americans avoid "the paranoid trap of thinking that racism accounts for all that plagues us," or by his gutsy rebuke of Louis Farrakhan for his antisemitism, here is what else he had to say in that speech in Indianapolis:

"I call upon government to create a new labor-intensive public enterprise to perform services valued by taxpayers. We taxpayers all know there's plenty of infrastructure work to do. Schools are crumbling. Subway and bus stations are strewn with graffiti and railroad rights-of-way are littered with trash. Public parks in cities and suburbs are poorly maintained."

The recommendation that these tasks be undertaken as public-service jobs comes with difficulty for Mr. Price, about as staunch a capitalist as you are likely to find in left-of-center America. But he is also a realist, and the reality he sees is that there are fewer and fewer jobs for low-skilled workers (especially inner-city men) and that, for the first time in memory, a resurgent economy has failed to create jobs.

Politicians and leading economists are in deep denial," he says, whether they blame the economy's victims for not wanting to work, or count on burgeoning technology to create millions of new jobs to replace the lost ones.

"The trouble," says Mr. Price, "is that none of these scenarios holds out much hope for inner-city kids trapped in poverty today." Nor, he noted, do government investments in job-training programs. His reluctant conclusion is that we must face "the ideologically uncomfortable question of whether the market economy is creating enough jobs for



everyone in the inner city who wants to, or is expected to, work."

It is an uncomfortable thought, recalling a variety of "make work" proposals from the Civilian Conservation Corps of the 1940s to the War on Poverty's Neighborhood Youth Corps to the scandal-ridden Comprehensive Employment Training Act programs of the 1970s.

But in these days of obesity recovery, it is clear that the free market's "invisible hand" could use a little direction. That direction could, as Charles Cerone of the World Trade Institute has proposed, be tax-fa-

Germany, but Also Europe

The usually perceptive William Pfaff erred in "America's Turn toward Germany — and Away From Europe" (Opinion, July 9). Pres-

ident Bill Clinton's support for a more intense bilateral partnership with Germany is not at the expense of the European Union. It is in fundamental support of that relationship.

As Mr. Pfaff notes, the Clinton administration has given more unqualified backing than its predecessors did to the EU. It is shortsighted to conclude that "the adventure of European integration ... has come to a halt." Washington believes that Europe has shown itself incapable of becoming the true union of states" which "the 12, at Maastricht, aimed to become." The EU is hardly stagnant. Together, its member states have put more aid than the United States has into Russia, Eastern Europe and the Middle East; the EU is poised to add four members. The Maastricht provisions for a common foreign and security policy are in force less than a year, too short a time to permit sweeping judgments.

As it stands, the United States will mobilize support for its positions in multiple channels, including bilaterals and, there is no more important European nation today than democratic Germany. Neither Germany nor other EU states believe, however, that the newly unified country's destiny should be other than to pursue the cause to which it has dedicated itself since World War II: to build within the context of an integrated Europe — not outside or indepen-

vored labor-intensive enterprises in the private sector. Or it could be along the lines now advanced by the Urban League's Mr. Price.

If the latter, it would not be the first time. There was, as he reminds us, an earlier "labor-intensive public enterprise employing thousands of marginally skilled workers who helped produce goods and services that taxpayers wanted." And what was that? The U.S. military — which, by the way, managed to train, instill discipline in and reshape the lives of millions of young Americans. Says Mr. Price:

"Let's elevate America's infrastructure to the same valued status and alleviate urban unemployment in the bargain. What's several billion in new public dollars invested in schools, parks and people when compared with the billions more now spent much less productively on public assistance for the able-bodied, and on extra policemen and prisons?"

The specifics of the idea sketched by the Urban League chief ought to become the subject of serious debate. But on his general notion, I am tempted to say: Mr. Price is right.

Washington Post Writers Group.

LETTERS TO THE EDITOR

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within the context of an integrated Europe — not outside or indepen-

dent of it — a strong European political and economic policy capable of being America's true partner.

Mr. Pfaff might have noted that on July 12, after President Clinton's meeting with the EC Commission president, Jacques Delors, and Chancellor Helmut Kohl (Germany currently holds the EU's rotating presidency), Mr. Clinton told the press in Berlin: "Throughout my entire administration I have advocated the cause of the European Union. I believe our best partner, as we look toward the 21st century for prosperity and for peace, is a Europe united in democracy, in free markets, in common security. We have supported that, and we will continue to support it."

STUART E. EIZENSTAT.
U.S. Representative
to the European Union.
Brussels.

It's Not Over for Romania

Regarding "A Welcome Message From America on Baltic Independence" (Opinion, July 5):

Prime Minister Carl Bildt of Sweden writes that the departure of the last Russian troops from Germany, Latvia and Estonia on Aug. 31 will mark the final end of World War II in Europe.

Under the terms of the Nazi-Soviet Ribbentrop-Molotov Pact implemented in 1940, not only the Baltic states were annexed by Moscow but also the Romanian regions of Bessarabia and Northern Bucovina. These territories had been fought over by rival empires for centuries until the

world recognized them formally as part of Romania in the settlement that followed World War I.

Stalin's 1940 annexation of these lands is today an unresolved issue. Northern Bucovina is held by Ukraine, and Bessarabia forms the bulk of the ex-Soviet state of Moldova, whose Moscow-leaning government remains in a Russian sphere of influence despite becoming an "independent" republic after the Soviet collapse. Russia's 14th Army remains in Moldova's rebel Dniester region, where Slavic sepa-

ratis hold sway.

Russia's post-Communist adminstration, led by reformed Communists trained long ago in Moscow, has avoided asking nicely for Bessarabia and Bucovina. But for many Romanians, World War II will end only when they get them back.

P. W. HUMPHREY.
Bucharest.

Japan's Socialist Leader

Jim Hoagland's article ("The American President Has Devalued Clout" (Opinion, July 14) makes some important points about the diminished international stature of the U.S. presidency in the 1990s.

But I am puzzled by his contention that the election of a Socialist prime minister in Japan "drives home" the point that "cooperating with America in the time of Bill Clinton does not generate enough prestige, it seems, to justify accepting restraints or risks."

What we are witnessing in Japan's political situation today are the

Slavery Disney's Way? No Thanks

By William Styron

VINEYARD HAVEN, Massachusetts — Imagineering, an adroit neologism, is the Walt Disney Co.'s name for the corporate unit involved in developing Disney's America, the projected mammoth theme park in northern Virginia.

Not long ago, the cinefant imaginer, Robert Weis, described what would be in store, among other historical attractions, for hordes of tourists.

"We want to make you feel what it was like to be a slave, and what it was like to escape through the Underground Railroad." He added that the exhibits would "not take a Polynesian view" but would be "painful, disturbing and agonizing."

I was fascinated by Mr. Weis's statement because 27 years ago I published a novel called "The Confessions of Nat Turner," which was probably intended to make the reader feel what it was like to be a slave.

Whether I succeeded or not was a matter of hot debate, and the book still provokes controversy.

But as one who has plunged into the murky waters where the imaginers wish to venture, I have doubts whether the technical wizardry that so entrances children and grown-ups at other Disney parks can do anything but mock a theme as momentous as slavery.

If it is so difficult to render the tragic complexity of slavery in words, as I once found out, will visual effects or virtual reality make it easier to comprehend the agony?

MEANWHILE

through the Underground Railroad could begin to define such a stupendous experience. To present even the most squalid sights would be to cheaply romanticize suffering.

For slavery's abyssal pain arose far less from its physical cruelty — although slave ships and the auction block were atrocities — than from the moral and legal savagery that defined an entire people of their freedom along with their rights to education, ownership of property, manumission and protection under law.

Slavery cannot be represented by exhibits. It was not remotely like the Jewish Holocaust — of brief duration and intensely focused destruction — which has permitted an illuminating museum.

In its 250-year history in America, the institution, which so intimately bound slave and master together, could not fail to produce almost unlimited permutations of human emotions and relationships.

How would the Disney technicians make millions of their pilgrims feel all these things? How would they show that there were white people who suffered torment over the catastrophe?

And how can they possibly render, beyond the deafening noise and the nasty gore, the infinitely subtle moral entanglements of the terrible war that brought slavery to an end?

I was born and reared in Virginia, and I am the grandson of a slave owner. I continue to be astonished that in the waning years of the 20th century, I should possess a flesh-and-blood link with the remote past — that from boyhood I have a luminous memory of an old lady, my grandmother, who actually owned black slaves.

For this very reason, she has haunted my life, become embedded in the fabric of my work as a writer and helped make slavery an undimishing part of my consciousness.

Her story, some of which I recall being told in her own quavering and stubborn voice, would possess no appeal for those planning the wicked fission of a Simon Legree tableau, but it has its own harrowing truth.

The drama began in 1862, the year the Emancipation Proclamation was issued, when Union troops occupied much of eastern Virginia and part of northeastern North Carolina. That spring, my grandmother, Marianne Clark, was a 12-year-old living on a

remote plantation where her father owned 35 slaves. Two of the slaves were girls, roughly her age, who had been given to her by deed.

She had grown up with them and played with them. They had become so lovingly close that, not surprisingly, the children regarded one another as sisters.

Her clearest memory was of having knitted woolen stockings for the girls during that bitter winter.

One morning, a large body of Union cavalrymen, detached from a regiment of General Ambrose Burnside, swept down on the plantation, stripped it bare of everything valuable and worthless, edible and moveable, burned down the outbuildings and, after a day's long plunder, disappeared. Most of the slaves departed with the troops, and the little girls also vanished.

My grandmother never saw them again. She and the family verged close to starvation for several months, forced "to chew roots and eat rats."

She grieved for the girls but her grief may have been absorbed into her own suffering, for she became a near-skeleton, and the deprivation, I suspect, arrested her growth, making her diminutive and weak-boned — though she was amazingly resilient — to the end of her long life.

My grandmother's terror and trauma were genuine, but they have to be reckoned as no great matter in the end, for she survived the privations of Reconstruction, reared six children in reasonable comfort and died at 87, at peace except for her feeling about Yankees, for whom she had a fund of inexhaustible rage and contempt.

What has haunted me is those slave girls, her "little sisters" who vanished on that spring day and caused her to mourn whenever she spoke of them.

One can be certain that they had no easy time of it. Swallowed up into the legion of disfranchised ex-slaves, they had little to look forward to in the oncoming years of poverty, the Ku Klux Klan, a storm of hatred, joblessness, illiteracy, lynchings and the suffocating night of Jim Crow.

They were truly, in the lament of the spiritual, among the "many thousand gone."

This renewed bondage is the collective anguish from which white Americans have always averted their eyes. It undermines the falseness of any Disneyesque rendition of slavery.

The falsehood is in the assumption that by viewing the artifacts of cruelty and oppression, or whatever the imaginers cook up — the cabins, the chancery, the auction block — one will have succumbed in "disturbing and agonizing" manner to the catharsis of a completed tragedy.

But the drama has never ended.

At Disney's Virginia park, the slave experience would permit visitors a shudder of horror before they turned away, smug and self-exculpatory, from a world that may be dead but has not really been laid to rest.

The writer, whose most recent book is "A Tidewater Morning: Three Tales From Youth," is author of "Sophie's Choice." He contributed this comment to The New York Times.

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Malaysia and Neighbors to Curb Sects

By Michael Richardson

International Herald Tribune

KUALA LUMPUR—Southeast Asian countries wary of allowing religion and politics to mix will take coordinated measures against Muslim movements that threaten the region's political stability or religious harmony, officials said Thursday.

Malaysia, where Islam is the official religion, is expected to issue a ban Friday on the teachings and activities of Al Arqam, a Muslim missionary movement that has used Malaysia as a base for expansion into other parts of Southeast Asia.

Analysts said that countries in the region, all of which have multireligious populations, were concerned that any form of Islamic extremism would cause divisions among Muslims and alarm non-Muslims, including the influential Chinese.

Malaysian officials have accused Al Arqam, which claims to have 100,000 followers in Malaysia and many more elsewhere in Asia, of planning to gain political power and turn the country into an Islamic state modeled after Iran.

The sect believes that a great Muslim reformer will soon appear, heralding an Islamic revival in East Asia.

Tarmizi Taher, the Islamic affairs minister of Indonesia, said his country, where

more than 85 percent of the population of 185 million are Muslims, was "seriously considering" banning Al Arqam.

He was attending a meeting of Southeast Asian ministers and officials in charge of religious affairs on the Malaysian island of Langkawi.

In comments in Jakarta, Mr. Tarmizi described Al Arqam as a "rebellious" political force that could "poison the spirit of Islamic bonds, especially among the younger generation in Indonesia."

Brunei banned the sect in 1991, and both Singapore and Thailand recently ordered Abuya Ashaari Muhammad, Al Arqam's leader, to leave their territory.

Mr. Ashaari has claimed that he is more popular in Malaysia than Prime Minister Mahathir bin Mohamad and said that, although he has no political ambitions, he would accept national leadership if the Malaysian people demanded it and God willed it.

Mr. Ashaari, who is reported to be in Jordan, will be arrested if he returns to Malaysia, Mr. Mahathir said.

It is not clear how members of the group will react to any ban. But analysts said that any crackdown might be difficult to enforce and could arouse strong protests or even violence from Al Arqam followers.

Al Arqam was founded in 1968 by Mr. Ashaari, a former member of an Islamic opposition party in Malaysia.

Analysts said Malaysian authorities decided to take action against the sect when it became clear that it was gaining a significant following in the bureaucracy, the education system and the Malay Muslim party that has a dominant position in the multiethnic coalition that rules Malaysia.

The government was alarmed when 19 Malaysian members of Al Arqam were arrested in April at a Muslim fundamentalist demonstration in Cairo.

Al Arqam, which gives its followers access to a mystical belief and an exclusive way of life, "offers a refuge from the challenges of modernization, like cult movements in the West," a Malaysian university lecturer said Thursday.

Al Arqam has established about 50 Islamic villages in Malaysia where members form a tightly knit community with their own schools, shops, health clinics, playgrounds and code of behavior.

Abdullah Fahim, research director in the Islamic affairs division of the prime minister's department, said Al Arqam would no longer be able to operate schools or run businesses under its name after the ban takes effect Friday.



A woman running past a French-manned UN vehicle as a soldier prepares to return fire in Sarajevo on Thursday.

SERBS: Belgrade Breaks Off Ties

Continued from Page 1

is a good step, but actions speak louder than words. We want to see the Serbs stop resupplying their Bosnian Serb clients with arms and other supplies."

The five-nation Contact Group that authored the Bosnian peace plan, comprising the United States, Russia, Britain, France and Germany, called for tighter sanctions on Yugoslavia unless the Bosnian Serbs reversed their rejection of it.

The plan envisages giving 49 percent of Bosnia to the Serbs and 51 percent to their Muslim-Croatian enemies, who have accepted the deal.

In a letter to Serbian leaders on Wednesday, the Bosnian Serb assembly said it had been "insulted and saddened"

by threats emanating from Mr. Milosevic's government.

Mr. Karadzic said his people must now prepare for more war and isolation.

The Contact Group has told the Bosnian Serbs it views a referendum as a delaying tactic, as has Serbia. A Bosnian Serb referendum in May 1993 on an earlier peace plan produced an overwhelming "no."

In northwest Bosnia, meanwhile, Muslim rebels apparently surrendered to Bosnian government troops in a besieged town in the Bihać enclave, a United Nations peacekeeping force spokesman said.

Major Rob Annink said the rebel brigade surrendered in the town of Pećigrad.

(AP, Reuters, AP)

Pope Plans a Visit to Croatia But Serbia Bars Trip There

The Associated Press

VATICAN CITY — Pope John Paul II will make his first visit to lands of former Yugoslavia next month, stopping in Croatia and possibly in Sarajevo in Bosnia-Herzegovina, the Vatican has announced.

The Pope had hoped to visit Belgrade, the capital of Serbia, but the Vatican was informed that the time was "not yet ripe" for such a visit. There was reported to be opposition in Orthodox Church circles to a visit by the Pope, who is seen by some as anti-Serbian.

An advance team was expected in Sarajevo, the Bosnian capital, this week to study whether the Pope's security could be guaranteed. The stop in Zagreb, capital of predominantly Roman Catholic Croatia, will take place Sept. 11, marking the 900th anniversary of the archdiocese.

The Pope has long expressed the hope of visiting Sarajevo to pray for peace and reconciliation between the Muslims and the Orthodox Christian Serbs in Bosnia-Herzegovina invited the Pope last year.

A French Foreign Ministry spokeswoman, Catherine Colonna, said that Paris had "taken note" of the latest move by Belgrade, but she added that France would wait to see whether rump Yugoslavia — Serbia and Montenegro — implemented its decision.

"In Belgrade, the tone has changed and is now without ambiguity concerning the Bosnian Serbs and in accordance with what we were expecting," she said.

Earlier Thursday, Russia reacted cautiously to the Bosnian Serbs' decision.

The British Foreign Office said the Bosnian Serb vote to move to a referendum meant that "the Bosnian Serb leadership have again failed to do what the international community expects of them, which is to accept unequivocally the contact group's proposal."

(AP, Reuters, AP)

BOSNIA: Despite Allies, U.S. Threatens Unilateral Lifting of Embargo

Continued from Page 1

grade's decision. The Organization of the Islamic Conference called for UN troops to be deployed along the Bosnian-Yugoslav border to monitor the flow of arms from Belgrade.

In calling for the UN Security Council to lift the arms em-

bargo against Bosnia's Muslims, the foreign ministers said in a communiqué that the ban were not lifted, the Islamic states "may come to the conclusion that they can provide the means of self-defense" to the Bosnian government under the UN Charter.

On October 6th, the IHT will publish a Special Report on

The Automotive Industry

Among the topics to be covered are:

- The auto industry's dream of a "global car".
- Efforts to develop a cost-effective electric car.
- The latest safety features available in current models.
- A strong comeback for the American car industry.
- Major players in the China market.

The newspaper will also be distributed at the "Mondial de l'Automobile" show, in Paris on the same day.

For further information, please contact Bill Maher in Paris at (33-1) 46 37 93 78; fax: (33-1) 46 37 50 44.

Herald Tribune
INTERNATIONAL HERALD TRIBUNE

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The authorities arrested him and charged him with treason. His trial opened last week in Abja, in a civilian court specially created by the government.

He said the men were led to a military camp, and there the soldiers began shooting the Hutu villagers. Mr. Nyawandu said in the confusion he and 10 other men managed to escape, running with their arms tied behind their backs.

The accounts of Tutsi atrocities will deal a serious blow to efforts of the United Nations and the international relief community to cope with the refugee crisis created by the civil war here, which ended with victory for the Patriotic Front in mid-July.

The United Nations High Commissioner for Refugees said that it thinks that it's safe for the refugees to return. But within the refugee agency, there has been a debate about how aggressive to be in encouraging the refugees to return. There

With Talks Scheduled, Nigerians Halt Strike

Compiled by Our Staff From Dispatches

LAGOS — Nigeria's biggest labor federation suspended a general strike Thursday, a day after at least three people were killed during clashes with the police in the worst violence since pro-democracy work stoppages began last month.

The 3.5-million-member Nigerian Labor Congress called off its two-day-old action, which it had taken to pressure the government to release the detained presidential claimant, Chief Moshood K. O. Abiola.

It said it would pursue its demands in talks with the government and resume the strike Saturday if progress on resolving the issue had not been made by then.

The president of the labor federation, Paschal Bafayau, said it was responding to a request from the government for negotiations under a "free and fair atmosphere."

Leaders of the federation then departed for the capital, Abuja, where they were scheduled to meet with military leaders late in the day.

But the country's two major oil workers' unions, which began a crippling strike on July 4 to press demands for democracy, said they would not call off their walkout until the military relinquished power.

"No other action will be sufficient," the two unions said in a joint statement Wednesday. (Reuters, AP)

Politics of Fundamentalism

Bangladesh Dispute Goes Beyond Religion

By John Ward Anderson

Washington Post Service

DHAKA, Bangladesh — Shafik Rehman, editor of the largest weekly magazine in Bangladesh, was flabbergasted when he picked up a fundamentalist newspaper a few weeks ago and saw an article claiming that he was a fugitive from justice, charged with insulting Islam. It was news to him.

"I said to my wife, 'This gives the fundamentalists workers the green signal to attack me,'" Mr. Rehman said in a recent interview.

noting that the police had never served a warrant on him, so he had no way of knowing that he was wanted.

That night, three firebombs were thrown at the front gate of his house.

"These are intimidation tactics to scare me so I will refrain from writing against the fundamentalists," said Mr. Rehman, whose magazine, *Jai Jai Din* (*As Days Go By*), also publishes columns by Taslima Nasrin, the feminist author who emerged Wednesday from two months in hiding to appear in court on charges of insulting Islam.

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BUSINESS

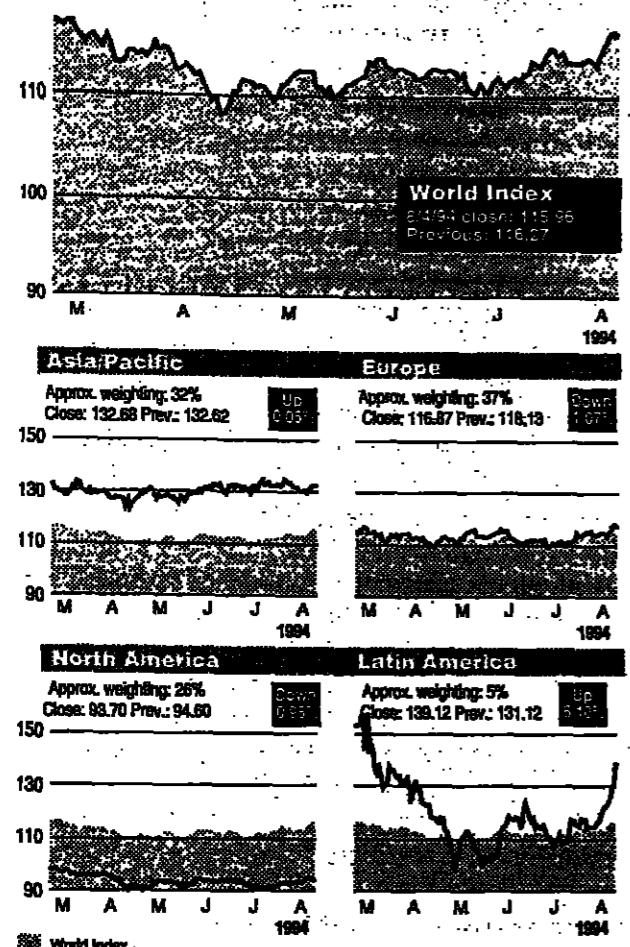
International Herald Tribune, Friday, August 5, 1994

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THE TRIB INDEX: 115.96

International Herald Tribune World Stock Index, composed of 280 internationally investable stocks from 25 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in Tokyo, New York, London, and Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Denmark, Finland, France, Germany, Hong Kong, Italy, Mexico, Netherlands, New Zealand, Norway, Singapore, Spain, Sweden, Switzerland and Venezuela. For Tokyo, New York and London, the index is composed of the 20 top issues in terms of market capitalization; otherwise the top 50 stocks are tracked.

| | Prev. | % change | Prev. | % change |
|-----------|--------|----------|-------|----------|
| Energy | 113.34 | -114.53 | -1.04 | -0.95 |
| Utilities | 124.02 | -124.91 | -0.71 | +8.25 |
| Finance | 118.66 | -119.21 | -0.45 | -0.93 |
| Services | 121.10 | -121.58 | -0.72 | +0.36 |

For more information about the index, a booklet is available free of charge. Write to Trib Index, 181 Avenue Charles de Gaulle, 92221 Neuilly Cedex, France.

© International Herald Tribune

WALL STREET WATCH

A Warning on REIT Stocks

By Laurence Zuckerman
New York Times Service

NEW YORK — The hottest sector for stock offerings on Wall Street these days is real-estate companies, and by far the honest underwriter of real estate stocks is Merrill Lynch & Co.

The investment bankers in Merrill Lynch's property group have underwritten \$2.9 billion worth of shares this year in real estate investment trusts, or REITs, including \$2 billion in initial public offerings.

That amounts to more than 40 percent of all new property shares, just as the trusts have become the fastest-growing category on the New York Stock Exchange.

Richard Saltzman, managing director of the real estate investment banking group, would not say how much the unit, which now consists of 45 professionals, has earned from underwriting the trusts. But others in the industry estimate that last year's fees and commissions may have been as high as \$200 million.

But for all its success, Merrill Lynch is now facing criticism from some investors who buy real estate stocks.

They say that the best of the real estate investment trusts have already gone to market, and that to meet the enormous demand for such stocks, Merrill is now underwriting companies of lower quality.

"A couple of the transactions that they've done, you have to look in the mirror and ask, 'Why?'" said Sam Zell, who controls two property trusts brought public by Merrill Lynch last year. Like many in the industry, Mr. Zell worries that bad deals will sour investors on real estate trusts.

Indeed, some of Merrill's most recent deals have been criticized by analysts and fund managers who say the deals either involved mediocre companies or were being dressed up to appear more promising than they were.

For example, several analysts have criticized First Industrial Realty Trust, which began trading on the New York Stock Exchange in June, because dozens of the properties included in the trust were not even owned beforehand by the company's controlling shareholder, the Shidler Group.

Instead, Shidler secured rights to buy those properties with proceeds from the company's initial stock offering.

In addition, one analyst accused First Industrial of inflating its operating revenue.

The First Industrial prospectus "contains

the most egregious financing gimmick of virtually any deal to come down the pike in the last few years," said Jon Fosheim of Green Street Advisors, a California firm that analyzes property stocks for institutional investors, in a memo to his clients a month before the stock began trading.

He said the company was booking interest payments in a way that inflated its cash flow.

Merrill Lynch subsequently abandoned the accounting method before the stock came to market. But Mr. Fosheim said that First Industrial still relied on a relatively high amount of short-term variable-rate loans, which require lower interest payments than long-term fixed-rate loans. That means the company's cash flow looks better in the short run. But it also means the company may face much higher interest expenses later on.

First Industrial shares now trade at \$22.50, \$1 below their initial offering price.

ment bond trader. The report said superiors could have detected fraud if they had scrutinized even the trading dates.

Kidder also fired Melvin Mullin, Mr. Jett's former supervisor. He was the fourth top-level figure to go.

The 85-page report, prepared by Gary Lynch, former enforcement chief at the Securities and

Exchange Commission, is the latest effort by Kidder and its parent to control the damage from the bond-trading scandal.

Mr. Jett was dismissed in April after Kidder accused him of generating \$350 million in phantom bond profits in a trading scheme aimed at hiding about \$100 million in trading losses.

Kidder charged that Mr. Jett also inflated his bonus.

Kidder said Mr. Jett showed record trading profits of \$32.5 million in 1992.

"Had Jett's account of what really happened been considered, the conclusions of this report would necessarily have been dramatically different," an attorney for Mr. Jett said.

CURRENCY & INTEREST RATES

Cross Rates

Aug. 4

Eurocurrency Deposits

Aug. 4

Source: Reuters, Lloyds Bank

Notes: Applicable to interest deposits of \$1 million minimum (or equivalent).

Close rates in Amsterdam, London, New York and Zurich. Rates in other centers: Toronto 1.0750; Paris 1.0750; Tokyo 1.0750; Sydney 1.0750.

a: To buy one pound; b: To buy one dollar; c: Units of 100; d: not available; N/A: not available.

Other Dollar Values

Forward Rates

Aug. 4

Aug. 4

Aug. 4

Source: ING Bank (Amsterdam); Indonesia Bank (Brussels); Banca Commerciale Italiana (Milan); Agence France Presse (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from Reuters and AP.

Source: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo, Commercial Credit Corporation, Greenwich Mutual Credit Investors.

Gold

Aug. 4

Source: Reuters

Source: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo, Commercial Credit Corporation, Greenwich Mutual Credit Investors.

Forward Rates

Aug. 4

Aug. 4

Aug. 4

Source: ING Bank (Amsterdam); Indonesia Bank (Brussels); Banca Commerciale Italiana (Milan); Agence France Presse (Paris); Bank of Tokyo (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from Reuters and AP.

Source: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo, Commercial Credit Corporation, Greenwich Mutual Credit Investors.

Interest rates

Aug. 4

Aug. 4

Aug. 4

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Source: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo, Commercial Credit Corporation, Greenwich Mutual Credit Investors.

Interest rates

MARKET DIARY

Auto Stocks Lead Wall Street Lower

Compiled by Our Staff From Dispatches

NEW YORK — The stock market slipped Thursday, burdened by signs that corporate profits in bellwether industries such as autos, building products and semiconductors may peak sooner than had been expected.

The Dow Jones industrial average lost 26.87 points to finish at 3,765.79, with the bulk of sell-

Bonds fell after a Federal Reserve official suggested the central bank would raise interest rates if Friday's employment data for July showed strong job growth.

Weakness in the semiconductor sector was led by Intel, which fell 1% to 574 after a Merrill Lynch analyst voiced concern about an order slowdown in the second half of the year.

Caremark, a big provider of intravenous drugs for patients in their homes, fell 2% to 214 after a criminal indictment accusing it of paying off doctors in exchange for referrals.

Georgia-Pacific dropped 2% to 67 after Goldman Sachs removed it from its buy list amid concern about a slowdown in the building industry. About 60 percent of Georgia-Pacific's earnings come from building products such as plywood.

Retailers were weak after several store chains reported slightly weaker sales for July than analysts had expected. Wal-Mart fell 3% to 244, and Sears dipped 3% to 4714.

(Bloomberg, AP)

U.S. Stocks

ing coming in the last hour of trading. Losing issues led gaining ones by a 4-to-3 ratio on the New York Stock Exchange, where volume totaled 290.7 million shares.

Weaker-than-expected vehicle sales for July prompted an analyst at Merrill Lynch to reduce his investment ratings for General Motors, which fell 2% to 504; Ford, which slumped 2% to 294; and Chrysler, which dropped 1% to 453.

Weak Treasury bond prices also pulled down stocks. The price of the benchmark 30-year Treasury bond fell 8/32 point, to 86 9/32, and the yield rose to 7.40 percent from 7.38 percent Wednesday.

Georgia-Pacific dropped 2% to 67 after Goldman Sachs removed it from its buy list amid concern about a slowdown in the building industry. About 60 percent of Georgia-Pacific's earnings come from building products such as plywood.

Retailers were weak after several store chains reported slightly weaker sales for July than analysts had expected. Wal-Mart fell 3% to 244, and Sears dipped 3% to 4714.

(Bloomberg, AP)

Job Data Anticipation Moves Dollar Higher

Bloomberg Business News

NEW YORK — The dollar rose against most other major currencies Thursday amid speculation that the U.S. currency was poised to strengthen even if Friday's monthly employment report showed a slowing of growth.

Investors who had sold dollars short earlier in the week

bought them back on concern that either a strong or a weak jobs report could benefit the dollar.

"There's been some pickup up ahead of the employment report," said Tim Fox, an economist at Credit Suisse.

"People are going to make their mind up about what the Fed's going to do with interest rates on the back of Friday's figures," said Troy Bowler, an analyst at PaineWebber International.

Some traders said the report could be stronger than economists were expecting, after a surprise drop in the number of unemployment claims made in the last week of July.

The dollar also rose to 5.4325 French francs from 5.3878 francs and to 1.3406 Swiss francs from 1.3320. The pound fell to \$1.5357 from \$1.5427.

"A lot of people think the bond market's performance will lead the dollar Friday," said Steve Flanagan, a trader at PaineWebber Inc.

A robust rise in employment could lift the dollar by raising the likelihood the Federal Reserve would soon raise interest rates, making U.S. deposits more attractive.

A weak report, which would diminish those prospects, could help the dollar by spurring a rally in stocks and bonds.

"A lot of people think the bond market's performance will lead the dollar Friday," said Steve Flanagan, a trader at PaineWebber Inc.

WORLD STOCK MARKETS

Agence France Presse Aug. 4

Close Prev.

China Stocks Rally On Record Volume

Compiled by Our Staff From Dispatches
SHANGHAI — China's revitalized domestic stock market surged on record volume Thursday amid speculation the government was preparing to add to market-stimulating measures it announced Saturday.

Shanghai A shares, which are reserved for Chinese buyers, rose 8.1 percent, while A shares in Shenzhen gained 2.5 percent. In Shanghai, share values at 10.5 billion yuan (\$1 billion) changed hands, double the previous volume record set in March. In Shenzhen, volume totaled 3.83 billion yuan.

Traders said they expected Chinese officials to meet with local brokerage concerns soon to discuss new measures to bolster both markets.

According to the China Securities newspaper, the China Securities Regulatory Commission is studying plans to supply loans to brokerage houses as part of its effort to spur investment in the A share markets.

The markets also got a lift from a shift of funds out of bond markets and bank accounts, brokers said.

Much of the money was coming from the bond market, which

replaced shares as the favorite investment vehicle this year as the stock market collapsed to record lows, a broker with Shanghai Zhongnan Securities said. Volume on the bond market has dropped since Monday, when China's A share markets staged a spectacular recovery.

Investor enthusiasm has now fully shifted to the stock market, and strong confidence helped the index continue rising today after staggering gains in the past three days," said Yan Yonglong, a broker with Guo Tai Securities in Shanghai.

Brokers said they expected the market to consolidate after Thursday's gains.

Shanghai's B share market, which is reserved for foreign investors, has already begun to consolidate. That market declined 1.6 percent as investors took profits after five days of gains. (Bloomberg, Reuters)

Silk and Cashmere 'Wars'

Chinese Factories Fight for Supplies

Reuters

BEIJING — The "wars" in China's rural areas for scarce raw materials have spread to silk and cashmere, two vital export items, because demand exceeds supply, officials and economists said.

An Agriculture Ministry official said the main reason for the price wars was not a shortage of output but an excess of factories, while fraudulent practices are also responsible.

Prices have soared because of the rapid increase in factories producing cashmere garments, spurred by higher demand, especially from Chinese buyers.

The paper said there was fierce competition among buyers who include private speculators as well as users of the materials. It also said contamination to increase weight had become common, with sugar, lime, sand, engine oil or the powder being added.

In northern Shaanxi, one of China's main cashmere-producing areas, the price for one kilogram (2.2 pounds) of

pure high-grade cashmere wool has more than tripled to 240 yuan (\$32) from 70 yuan last year, according to the Economic Daily.

Prices have soared because of the rapid increase in factories producing cashmere garments, spurred by higher demand, especially from Chinese buyers.

The paper said there was

worm cocoons as high as 21 yuan, compared with 12 yuan a year ago.

China's silk exports have 80 percent of the world market.

Figures from state-owned China Silk Co. show that in 1993 silkworm cocoons sold to state outlets fell to 458,000 tonnes, a drop of 13 percent from a year earlier. National output of silkworm cocoons in 1993 was a record 760,000 tonnes, up 9.6 percent from 1992.

In the first six months of this year, China earned \$129 million, up 145 percent on the year, from exporting 5,948 tonnes of raw silk, up 160 percent. It also earned \$225 million, up 42 percent on the year, from exporting 7,669 tonnes of silk-woven fabrics, up 27 percent.

Telecom Sees More Growth

Reuters

WELLINGTON — Telecom Corp. of New Zealand Ltd. said it was on track for sustained growth after reporting that its first-quarter profit rose a higher-than-expected 17 percent from a year earlier.

Net income in the quarter ended June 30 rose to 138.5 million New Zealand dollars (\$83 million) from 118.2 million.

Telecom, which the government sold off in 1990, is controlled by the U.S. phone companies Ameritech Corp. and Bell Atlantic Corp.

Sales rose 11 percent, to \$63.8 million New Zealand dollars, reversing a declining trend. Excluding its Australian subsidiary, Pacific Star Communications, revenue rose 6 percent.

"Our excellent first-quarter performance reflects the success of Telecom's initiatives in the marketplace, progress with the restructuring of operations and buoyancy in the underlying economy," said Peter Shirliffe, chairman.

Roderick Deane, chief executive, said growth in local service and long-distance revenue were key features of the first quarter.

Company executives said they did not expect the value of the dollar or world oil prices to affect earnings in the second half.

Showa Shell's revenue in the first half slipped to 680.8 billion yen from 746.1 billion, led by a fall in gasoline sales. Sales of light oil and kerosene rose.

The continued decline in interest income also pressured profit. First-half interest income fell by about two-thirds, to 1.4 billion yen.

Mr. Gaskell said higher transportation and marketing costs also harmed results. (Bloomberg, AFX)

Investor's Asia

| Hong Kong | Singapore | Tokyo |
|------------------------|----------------|-------------|
| Hang Seng | Straits Times | Nikkei 225 |
| 11000 | 2400 | 2300 |
| 10000 | 2300 | 2100 |
| 9000 | 2200 | 2000 |
| 8000 | 2100 | 1900 |
| 7000 | 2000 | 1800 |
| M A M J J A | M A M J J A | M A M J J A |
| 1994 | 1994 | 1994 |
| Exchange | Index | Thursday |
| Hong Kong | Hang Seng | Prev. Close |
| Singapore | Straits Times | Close |
| Sydney | All Ordinaries | Change |
| Tokyo | Nikkei 225 | % |
| Kuala Lumpur Composite | 1,086.80 | +1.07 |
| Bangkok SET | 1,416.71 | +0.87 |
| Seoul Composite Stock | 927.49 | +0.44 |
| Taipei Weighted Price | 6,789.57 | +0.96 |
| Manila PSE | 2,897.82 | +0.46 |
| Jakarta Stock Index | 468.73 | +0.83 |
| New Zealand NZSE-40 | 2,101.88 | +0.92 |
| Bombay National Index | 2,015.10 | -0.49 |

Sources: Reuters, AFP

International Herald Tribune

Very briefly:

- The Japan Machine Tool Builders' Association said orders in June rose 3.6 percent from a year earlier, to 49.16 billion yen (\$490 million), the first rise in three years.
- The Japan Automobile Importers' Association said sales of imported vehicles in Japan jumped 49.6 percent in July from a year earlier; sales of U.S. cars shot up 79 percent, to 10,359 units, and made up 38 percent of the total.
- Taiwan's Economic Ministry said it would offer a further 450 million shares, valued at \$48.9 million, of state-run China Steel Corp. on overseas markets in the second half of 1994. AFP, Reuters

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(CDRs)

The underpriced amount is that as from August 16, 1991 at 100 American, div. cpy. no. 44 (paramount for an "Offerlet" of the CDRs Hitachi Ltd. will be payable with Dfts. 41,52 per CDR, rep. 360 shs. and with Dfts. 83,04 per CDR, rep. 1,080 shs. and with Dfts. 162,20 per CDR, rep. 1,680 shs. and with Dfts. 310,834; gross Yen 2.5 in shs. after deduction of 15% Japanese tax. Yen 412,58 = Dfts. 233 per CDR, rep. 500 shs. Yen 825, = Dfts. 162,20 per CDR, rep. 1,680 shs. Yen 1,600 = Dfts. 310,834 per CDR, rep. 1,680 shs. Yen 1,600 = Dfts. 162,20 per CDR, rep. 1,680 shs. Yen 1,600 = Dfts. 310,834 per CDR, rep. 1,680 shs. After 30.9.93 the dividend will only be paid after deduction of 20% Japanese tax. Dfts. 162,20 per CDR, rep. 1,680 shs. Yen 1,600 = Dfts. 310,834 per CDR, rep. 1,680 shs. After 30.9.93 the div. will only be paid under deduction of 20% Japanese tax. Dfts. 162,20 per CDR, rep. 1,680 shs. Yen 1,600 = Dfts. 310,834 per CDR, rep. 1,680 shs. in accordance with the Japanese tax regulations.

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(CDRs)

The underpriced amount is that as from August 16, 1991 at 100 American, div. cpy. no. 44 (paramount for an "Offerlet" of the CDRs Dai-Nippon Printing Ltd. will be payable with Dfts. 41,52 per CDR, rep. 360 shs. and with Dfts. 83,04 per CDR, rep. 1,080 shs. and with Dfts. 162,20 per CDR, rep. 1,680 shs. and with Dfts. 310,834; gross Yen 2.5 in shs. after deduction of 15% Japanese tax. Yen 412,58 = Dfts. 233 per CDR, rep. 500 shs. Yen 825, = Dfts. 162,20 per CDR, rep. 1,680 shs. Yen 1,600 = Dfts. 310,834 per CDR, rep. 1,680 shs. After 30.9.93 the dividend will only be paid after deduction of 20% Japanese tax. Dfts. 162,20 per CDR, rep. 1,680 shs. Yen 1,600 = Dfts. 310,834 per CDR, rep. 1,680 shs. After 30.9.93 the div. will only be paid under deduction of 20% Japanese tax. Dfts. 162,20 per CDR, rep. 1,680 shs. Yen 1,600 = Dfts. 310,834 per CDR, rep. 1,680 shs. in accordance with the Japanese tax regulations.

AMSTERDAM DEPOSITORY COMPANY N.V.
Amsterdam, 2 August 1994.

Currency Losses Cut Showa Shell Profit

Compiled by Our Staff From Dispatches

TOKYO — Showa Shell Sekiyu said Thursday its pretax profit fell 42 percent in the first half of 1994 as it continued to absorb losses from currency transactions.

Showa, a Japanese oil refiner and distributor that is 50 percent owned by Royal Dutch/Shell Group, posted current profit of 10.60 billion yen (\$106 million) before taxes, down from 18.27 billion yen in the first half of 1993.

The company said its pretax profit would have been 27.7 billion yen except for losses in the foreign-exchange market. The company said early last year that it had lost 125 billion yen by betting the wrong way on a currency futures contract.

Mr. Gaskell predicted the company would post a full-year net profit of 13 billion yen.

Company executives said they did not expect the value of the dollar or world oil prices to affect earnings in the second half.

Showa Shell's revenue in the first half slipped to 680.8 billion yen from 746.1 billion, led by a fall in gasoline sales. Sales of light oil and kerosene rose.

The continued decline in interest income also pressured profit. First-half interest income fell by about two-thirds, to 1.4 billion yen.

Mr. Gaskell said higher transportation and marketing costs also harmed results. (Bloomberg, AFX)

Philippine Investment Firm Sets \$1.5 Billion Expansion

Agence France-Presse

MANILA — Benpres Holdings Corp., the newly incorporated investment firm of the politically powerful Lopez family, on Thursday announced plans for a \$1.5 billion expansion program over the next five years.

Executives said the company had higher-than-expected net income of 633 million pesos (\$23 million) in the first half of 1994. The profit came primarily from telecommunications and broadcasting, banking, movie production and power retailing, which earned 626 million pesos, compared with 400.8 million pesos in 1993.

Fifty-four percent of the earnings were contributed by ABS-CBN, the country's largest broadcast network, which itself reported a 58 percent rise in net profit.

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| Luxembourg | L. Fr. 34,000 |
| Netherlands | Nl. 770 |
| Norway | 47,000 |
| Portugal | Pes. 46,000 |
| Spain | Pes. 55,000 |
| - hand deliv. Madrid | 5,100 |
| - hand delivery | 5,200 |
| Sweden (almed) | Sk. 3,500 |
| United States | \$1,400 |
| Rest of Europe ex CEE | 500 |
| CB, N. Africa, former Portuguese African, Middle East | \$ 530 |
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NASDAQ

Thursday's 4 p.m.
This list compiled by the AP, consists of the 1,000 most traded securities in terms of dollar value. It is updated twice a year.

AMEX

Thursday's Closing
Tables include the nationwide prices up to
the closing on Wall Street and do not reflect
state trades elsewhere. Via The Associated Press

INTERNATIONAL HERALD TRIBUNE, FRIDAY, AUGUST 5, 1994

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounts to 25 percent or more has been paid, the year's high, low, average and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

- b - annual rate of dividend plus stock dividend.
- c - liquidating dividend.
- d - called.
- d - new yearly low.
- e - dividend declared or paid in preceding 12 months.
- g - dividend in Canadian funds subject to tax.

- dividend declared after split-up or stock dividend.
- dividend paid this year, omitted, deferred, or no action taken.

k—dividend declared or paid this year, on accumulative basis with dividends in arrears.

N — new issue in the past 52 weeks. The high-low range begins with the start of trading.
nd — next day delivery.
P/C — price-to-earnings ratio.

¹—dividends per common share.
²—dividend declared or paid in preceding 12 months, plus stock dividends.
³—stock split. Dividend begins with date of split.

1—Dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date.

v -- New yearly high.
v -- Trading halted.
vi -- In bankruptcy or receivership or being reorganized under the Bankruptcy Act; or reorganization.

Securities Act or securities assumed by such companies.
Wd — When distributed.
wi — When issued.

ww — with warrants.
x — ex-dividend or ex-rights.
xdis — ex-distribution.
ww — without warrants.

w -- without warrants.
y -- ex-dividend and sales in full.
yld -- yield.
z -- sales in full.

SPORTS

Pension Caper Puts Good Faith Out of the Game

By Claire Smith
New York Times Service

If the owners of the major league clubs were setting out to find an issue that would further galvanize the players, they hit the proverbial grand slam.

Nearly a month after the players participated in an All-Star Game they traditionally play gratis in return for the clubs' contributions to their pension fund, the players have found that the owners have no intention of making their annual August contribution.

They found out, no less, by mail. On Monday, Aug. 1, the

due date, less than two days before a full bargaining session that was supposed to be dedicated to dealing with the big-money issue of a salary cap. And less than 11 days before the original strike date set by the players.

So, even though the salary cap was discussed during testy negotiations earlier this week, even though the players handed management a list of written proposals, the lion's share of the time was spent debating the withholding of the \$8 million pension contribution.

The owners say they had a right not to pay it because the collective bargaining agreement expired March 31.

"If the players had intended or wanted to gear the payment of the pension funds to the All-Star Game, then the agreement would have said that," Richard Ravitch, the owners' chief negotiator, said after the negotiating session Wednesday. "But it didn't say that. And they aren't legally entitled to it."

So it was that the owners tiptoed through a loophole with the subtlety of a bull elephant, contrary to the precedent they set in 1985. That year, the owners made their Aug. 1 contribution, even though the players threatened to strike Aug. 6 and eventually for three days.

It's a lot of good faith turned to bad for a sum that would amount to \$265,000 or so per club — approximately the salaries of two and a half rookies. But the owners seem more than willing to ignore history and the fallout from this maneuver.

"The issue here remains one single issue," Ravitch said. "That is the business environment in which this game is being played. The economic forces that have an impact on the game of baseball require a change for the sake of the game."

So it was that Ravitch tried to stay on the cap issue. But if he was observant during his news conference, the whole world had moved on to a new conflagration of the owners' making: the pension fund.

That is where Donald Fehr, the chief of the players union, and his troops were rallying. And why not? The owners had handed them an issue guaranteed to draw more sympathy for players than, say, their fight to keep a system that now produces an average player's salary of more than \$1 million a year.

Talk about hot-button issues. Most Americans are sensitive to pension fund and health care issues. (The owners' \$8 million was designated for the health and benefit funds of players, coaches, managers and trainers and their families as well as a goodly number of those groups' predecessors.) And most people are familiar with the vulnerability of those funds, in light of savings and loan failures and the debate over health care.

Put enough irate players on television talking about health care for their predecessors and the public may come to believe that 28 Michael Milkenas are masquerading as owners out there, not fighting millionaire players but trying to bilk widows and orphans as well.

So it is that the fury is high on the players' side, for reasons that are righteous as well as opportunistic.

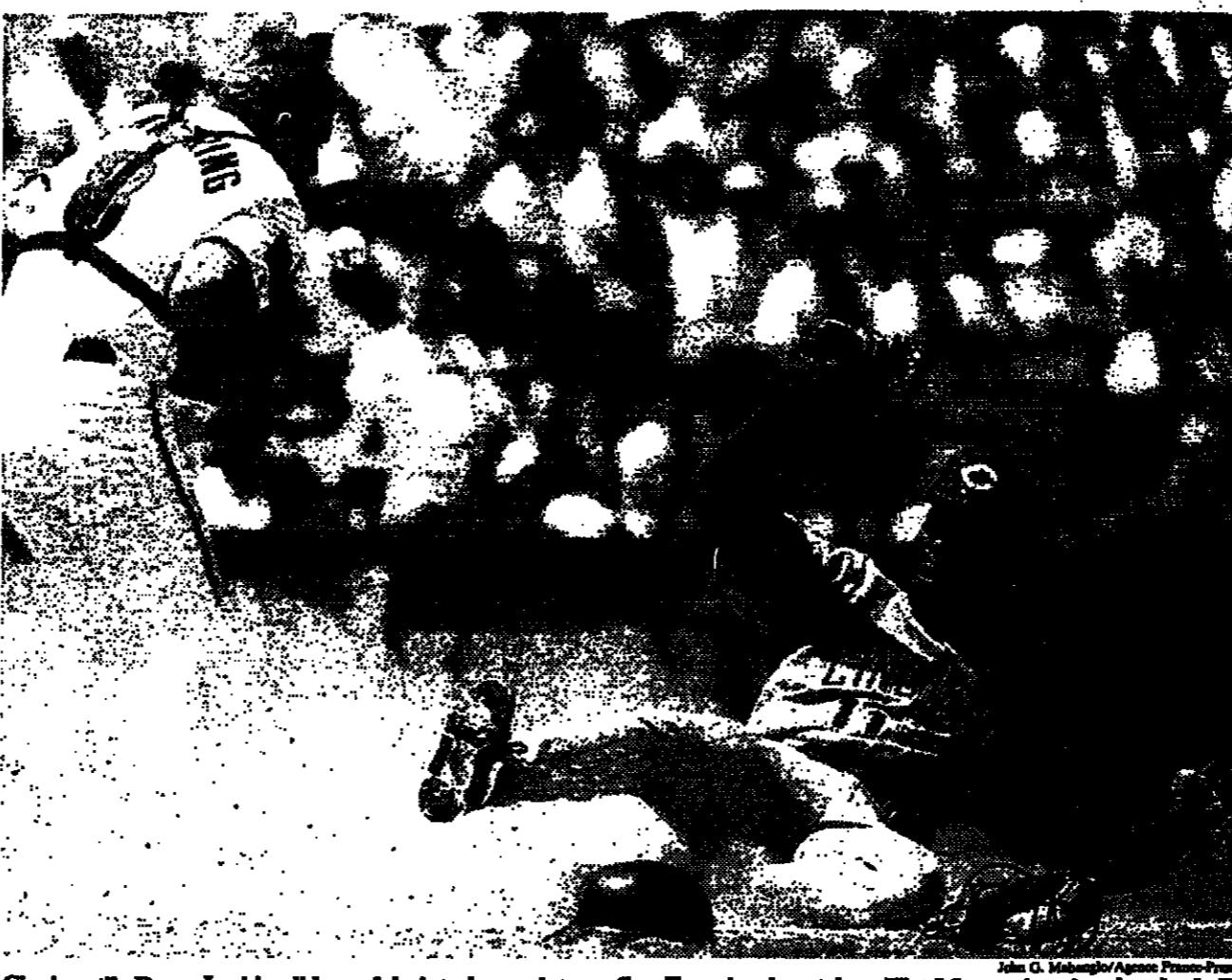
"They believe there's going to be a strike and they want to finance it with the players' money," an irate Mr. Fehr said of the owners.

No full bargaining session was set after Wednesday's tense meeting.

So, the question must be asked: Is this the result the owners were looking for, a shot over the bow, if you will?

If so, it got the players' attention, just as collusion did. But, if you remember, collusion, which reaped immediate benefits for the clubs, later rose up and bit the owners, in the form of millions of dollars in fines and a reinvigorated union that went on to win at the bargaining table in 1990.

Now, only time will tell if this latest maneuver reaps a similar whirlwind.



John G. Mabanglo/Associated Press-Pool

Red-Hot Yankees Win and Clinch 'First'

The Associated Press

With uncertainty the norm, one thing is certain: If the season stops on or before Aug. 12, the Yankees will be in first place.

The Yankees became the first team to assure themselves of being in the lead on the players' original Aug. 12 strike deadline with a 2-1 victory Wednesday over the Brewers in Milwaukee.

The game was called after 7½ innings due to a rainstorm.

New York's sixth straight victory improved its record to 17-3 since the All-Star break and increased its lead in the AL East to nine games over the Baltimore Orioles.

After the Yankees won their eighth in a row on the road, Don Mattingly said: "We're just playing the best baseball we can, day in and day out."

Sterling Hitchcock pitched a strong game for New York after escaping a jam in the fourth inning and protected a 2-1 lead through seven innings. Bob Wickman came out to start the eighth, but the downpour beat his first pitch.

After a 68-minute rain delay, the game was called. It was a move that irritated the Brewers.

"They have a 2-1 lead, but we have two at-bats against them," said Jody Reed, who had two of the five hits off Hitchcock. "We're feeling pretty confident we can get something done against them and the game's over. Do you think we'd be walking out of here if the Brewers were leading 2-1?"

Angel Miranda, the losing pitcher for the Brewers, allowed four hits, but two of them were solo home runs.

Jim Leyritz hit his 17th in the fourth and Randy Velarde connected for his 9th in the fifth.

Royals 9, Athletics 5: Kansas City extended baseball's longest winning streak this season to 12 games by defeating Oakland at home.

The Royals haven't lost since dropping a 5-2 decision to Detroit on July 22.

Bob Hamelin broke Bo Jackson's club rookie record with his 23rd home run for the Royals, whose only longer winning streak was a 16-game run in 1977.

Hamelin's two-run homer chased Bobby Wink in the fifth and broke the record Jackson set in 1987.

Troy Neel homered for Oakland, who has lost five straight. Jose DeJesus allowed three runs and eight hits in five innings.

AL ROUNDUP

fourth complete game of the season, allowing seven hits.

Red Sox 7, Blue Jays 2: In Boston, Tom Brunansky hit a two-run homer to cap a six-run fifth, and Tim VanEgmond pitched 7½ strong innings to beat Toronto.

Tim Naehring had three RBIs for the Red Sox, who sent 10 batters to the plate in the fifth. The victory allowed Boston to break a third-place tie with Toronto in the AL East.

VanEgmond, who got his first major league victory Friday at Milwaukee, allowed two runs and eight hits in his seventh major league start. Al Leiter allowed six runs and six hits in four-plus innings.

Rangers 11, White Sox 8: Jose Canseco homered twice and Rusty Greer brought in the go-ahead run with a sacrifice fly in the seventh inning as the Rangers rallied to defeat Chicago in Arlington.

Canseco's 31st homer tied it at 8 in the seventh for the Rangers, who battled back from a 7-2 deficit. He added a two-run double in the eighth.

The loss trimmed Chicago's lead in the AL Central to 1½ games over Cleveland and 3 games over surging Kansas City. Frank Thomas hit his 37th homer for the White Sox.

Mariners 8, Angels 4: In Anaheim, California, Jay Buhner and Edgar Martinez each homered for the second straight game and Ken Griffey Jr. drove in three runs in Seattle's defeat of California.

Dave Fleming improved his career record at Anaheim Stadium to 5-0, allowing three runs and six hits over 5½ innings. The left-hander has a 2.38 ERA in his five starts at the stadium.

Griffey, who struck out his first two times up against Mark Langston, hit a sacrifice fly and a two-run single to cap Seattle's four-run sixth inning, which chased Langston.

Chili Davis homered for the Angels, who dropped their eighth straight at home.

Astros Move Up Stopping Rockies, As Braves Lose

The Associated Press

Two ninth-inning rallies 2,600 miles apart moved Houston a game closer to the Atlanta Braves, and a game closer to the wild-card berth, as the Astros won 2-1 over the visiting Colorado Rockies.

None of that would matter right now if this were a normal season, but with the threat of a strike hanging over them, teams

NL ROUNDUP

have been playing like it's the last week of September.

The victory moved the Astros 2½ games behind the Braves, who lost 3-2, to New York when the Mets scored two runs in the bottom of the ninth.

Reds 17, Giants 4: In a slugfest in San Francisco, Kevin Mitchell had a career-high five hits and five RBIs, Bret Boone had four hits and scored five times, Brian Hunter had four RBIs, John Roper (6-1) allowed two runs on two hits in six innings and Cincinnati pounded out 23 hits to crush the home team Giants.

Jacob Brumfield and Boone started the game with back-to-back home runs off Bud Black.

Dodgers 4, Padres 2: Eddie Williams tripled in the go-ahead run in the top of the ninth after Tony Gwynn, the major league's leading hitter at .391, opened the inning with a double, giving San Diego the territory.

The Padres got another run on a suicide squeeze.

Andy Ashby broke a personal five-game losing streak, allowing eight hits in eight innings while striking out six.

Phillies 7, Pirates 6: In Philadelphia, Danny Jackson pitched his 14th career shutout in a six-hitter in which he struck out seven and did not walk a batter to defeat Pittsburgh.

Ricky Jordan homered and drew in three runs for the Phillies.

Marlins 9, Cubs 8: Benito Santiago's sacrifice fly scored Jeff Conine with the go-ahead run in the ninth inning, as visiting Florida edged Chicago.

Kurt Abbott added an RBI-double later in the inning, giving the Marlins an insurance run they ended up needing.

Rich Scheid pitched 1½ innings for the victory and Rob Nen got his 13th save in 13 opportunities despite allowing a ninth-inning solo homer to Sammy Sosa.

U.S. Bowls Vie for Top Game

New York Times Service

U.S. college conference commissioners are expected to announce Thursday the creation of a three-part football coalition intended to greatly increase the chances of a national championship game in one of the participating bowls. It could be for a three- or a six-year term starting in 1996.

The commissioners were choosing from among the Sugar, Orange, Fiesta, Gator and Cotton Bowls. The three winners will rotate the hoped-for annual face-off between the nation's No. 1 and No. 2-ranked teams. The games will most likely be played Dec. 31, Jan. 1 and Jan. 2.

About 65 to 70 percent of the bowl's financial offers are backed by television. According to reports, the Fiesta's six-year offer is worth \$118 million; the Gator \$116 million, the Sugar \$108 million, the Orange \$105 million and the Cotton \$100 million.

DENNIS THE MENACE

PEANUTS



6-5

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BEETHOVEN HAD AN UNFORTUNATE LOVE AFFAIR TOO, CHARLIE BROWN...

BUT IT DIDN'T DISCOURAGE HIM...

HE KEPT RIGHT ON WORKING...

STRIKE THIS NEXT GUY OUT, AND YOU WON'T FEEL SO DEPRESSED...

POW!

BEETHOVEN PROBABLY HAD A BETTER CURVE BALL...

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CALVIN AND HOBBES

Bill Watterson



BOY, WHEN IT'S THIS HOT, I DON'T WANT TO DO ANYTHING AT ALL...



UNFORTUNATELY, THAT WAS OUR PLAN FROM THE START...

GARFIELD

Jim Davis



© 1994 Jim Davis

I'M BACK SIDE...

GREAT! HOW DID THE RECONNAISSANCE GO?

NOT WELL... I HAD TROUBLE WITH MY NOSE...

ALLERGIES?



NO... A STUPID SQUIRREL STORED NUTS IN IT

WIZARD OF ID

John Kricfalusi



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I'M BACK SIDE...

GREAT! HOW DID THE RECONNAISSANCE GO?

NOT WELL... I HAD TROUBLE WITH MY NOSE...

ALLERGIES?



NO... A STUPID SQUIRREL STORED NUTS IN IT

THE FAR SIDE

Jeff Parker



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OBSERVER

Keys to the 'Forrest'

By Russell Baker

NEW YORK — In response to the pleas of many baffled people, here is a digest of a few of the more trenchant passages in my "Key to the Inner Meaning of 'Forrest Gump'."

1. What the feather tells us: The common interpretation arises from the feather's long history as a symbol for lightness. Appearing at the very beginning of the film, it seems to be a device for letting the more cerebral reviewers know they might as well go see another movie since "Forrest Gump" will simply be light entertainment unlikely to enrich their grasp of the meaning of things.

This too-glib explanation ignores the salient fact that we do not know what kind of feather we are seeing. Chicken feather? Sparrow feather? Ostrich feather? We cannot tell.

Why? Because this feather we are seeing has no parentage in either fowl kingdom or bird land. It is the ideal feather, which, as Plato notes, can exist only in the mind. What we are looking at is not a feather, but the idea of feather existent only in each moviegoer's mind.

2. Why Forrest drinks too much Dr Pepper while visiting President Kennedy: Cultural historians tell us that in the Southland of Forrest's childhood Dr Pepper was marketed as a healthful beverage, as something good for you, very much the way jogging is marketed everywhere nowadays.

By downing bottle after bottle at the White House, with its bottomless supply, Forrest is illuminating his profound desire for good health. And what lies behind this desire? Forrest may not know the Latin for it, but he obviously knows that ancient wisdom prescribes "a sound mind in a sound body."

Thus he clearly and poignantly hopes that the sound body that will result from Dr Pepper might be accompanied by the improved soundness of mind necessary to make him a more romantic figure to the adventurous Jennie.

3. Who is Lieutenant Dan?

Kutzall and Hammerburg, The Village Kvetch's cantankerous analysts of movie meanings, have muddied the intellectual waters here with their monograph, "Shaman and Shiva: Jungian Avatars in 'Forrest Gump.'"

Their assertion that Lieutenant Dan is a symbolic representation of Marlon Brando in "Apocalypse Now" simply doesn't hold water. He was this country's most notorious serial killer, an Austrian Jack the Ripper who — even as he was being lionized by Vienna's literati — strangled at least nine women, including three in Los Angeles.

He was a crook who had come to terms with his own criminality, a murderer whose homicidal impulses had been channeled into the salutary act of writing.

But to the police and, ultimately, to a jury, Unterweger was a monster. He was this country's most notorious serial killer, an Austrian Jack the Ripper who — even as he was being lionized by Vienna's literati — strangled at least nine women, including three in Los Angeles.

And when it was over, hours after an Austrian court had pronounced him guilty on June 23, the jailhouse bard who was so good with knots braided his shoelaces into a noose and hanged himself.

Once again he had left behind no evidence, no suicide note, nothing except a lifeless body and the echo of the impassioned plea of innocence he delivered at the end of a two-month trial.

This time, however, not even his lawyer was buying it. "The jury said he was guilty. And I believe it was a fair trial," the attorney, Hans-Jürgen Lehner, said in a recent interview.

Unterweger was born in August 1950, son of an Austrian mother and an American GI. The father vanished before the baby was born; the mother abandoned him when he was 2 to an alcoholic grandfather in rural Austria. He grew up tough and illiterate, supporting himself through petty thievery and pimping.

In December 1974 he abducted and murdered 18-year-old Margret Schafer. The court sentenced him to life.

But in Stein Prison, he flourished. He learned to read and became a voracious reader. He learned to write and became a prolific writer, of poetry and short stories, plays and a novel. Much of his scribbling was autobiographical, a vent for rage and resentment. His "Endstation Zuchthaus" ("Terminus Prison") won an Austrian literary prize in 1984; his "Fegefeuer" ("Purgatory") became a best-seller and was made into a successful film.

Several prominent Austrian writers and prison reformists took up his cause with support from the literary organization PEN.

The case had eerie parallels to that of Jack Henry Abbott, a convicted American killer-turned-author whose cause was taken up by Norman Mailer. Shortly after Abbott was released from jail in 1981, he killed again.

With Unterweger, however, the risk seemed minimal. When he was paroled on May 23, 1990, the prison warden observed, "We will never find a prisoner so well prepared for freedom."

Those who knew him best still harbored some skepticism. "Jack doesn't like literature," Willi Hengstler, the filmmaker who directed "Fegefeuer,"

told the British newspaper The Guardian. "Jack doesn't like writers. Jack doesn't like anything. Jack only likes Jack."

The murder spree began in September 1990, four months after his release from prison. A Czech prostitute, Blanka Bockova, was strangled with her underwear at a time when Unterweger was in Prague researching an article on the city's red-light district.

Seven other killings in Austria followed over the next six months, all prostitutes, all garroted with their bras.

Unterweger was a suspect, but there was virtually no proof tying him to the crimes, no witnesses, no forensic evidence.

In the summer of 1991, Unterweger traveled to Los Angeles to write about prostitution in Southern California. During the five weeks of his visit, three prostitutes were strangled with their bras.

The circle inexorably closed. Interpol and Los Angeles detectives deduced that the three California homicides coincided precisely with Unterweger's trip. In February 1992 the Graz police issued an

order for Unterweger's arrest and extradition.

"His victims were not people he knew, not girlfriends or acquaintances. He killed strangers, women he'd known for only five minutes, prostitutes."

Then, with a slight smile, the lawyer added, "If he killed them, I mean."

WEATHER

Europe

| | Today | | Tomorrow | | | |
|-----------------|-------|-------|----------|-------|-------|-----|
| | High | Low | W | High | Low | W |
| | C/F | C/F | C/F | C/F | C/F | C/F |
| Algiers | 29/84 | 20/98 | + | 20/98 | 22/71 | + |
| Amsterdam | 24/75 | 19/65 | + | 22/71 | 17/62 | + |
| Antwerp | 24/75 | 19/65 | + | 22/71 | 17/62 | + |
| Athens | 26/80 | 24/75 | + | 26/80 | 24/75 | + |
| Barcelona | 31/85 | 23/73 | + | 32/85 | 24/75 | + |
| Berlin | 24/75 | 17/62 | + | 24/75 | 16/61 | + |
| Brussels | 31/85 | 21/70 | + | 27/80 | 17/62 | + |
| Copenhagen | 27/80 | 14/65 | + | 27/80 | 14/65 | + |
| Croatia Del Sol | 26/85 | 25/77 | + | 33/91 | 23/77 | + |
| Dakar | 26/85 | 17/62 | + | 26/85 | 17/62 | + |
| Edinburgh | 24/75 | 17/62 | + | 24/75 | 17/62 | + |
| Florence | 35/85 | 21/70 | + | 36/87 | 22/71 | + |
| Gibraltar | 31/85 | 21/70 | + | 31/85 | 21/70 | + |
| Grenoble | 27/80 | 14/65 | + | 27/80 | 14/65 | + |
| Helsinki | 22/71 | 14/62 | + | 22/71 | 13/59 | + |
| Hamburg | 27/80 | 20/70 | + | 27/80 | 20/68 | + |
| Lisbon | 27/80 | 18/64 | + | 27/80 | 18/64 | + |
| Ljubljana | 27/80 | 20/70 | + | 27/80 | 20/70 | + |
| London | 27/80 | 18/64 | + | 27/80 | 18/64 | + |
| Madrid | 25/77 | 21/70 | + | 25/77 | 21/70 | + |
| Milan | 34/93 | 21/70 | + | 34/93 | 21/73 | + |
| Moscow | 26/85 | 21/70 | + | 26/85 | 21/70 | + |
| Nicosia | 31/85 | 20/68 | + | 31/85 | 22/71 | + |
| Paris | 32/85 | 21/70 | + | 32/85 | 18/64 | + |
| Rome | 34/93 | 22/71 | + | 34/93 | 22/73 | + |
| Stockholm | 23/73 | 16/61 | + | 23/73 | 14/57 | + |
| Tbilisi | 34/93 | 20/68 | + | 33/91 | 20/68 | + |
| Venice | 32/85 | 23/73 | + | 33/91 | 24/75 | + |
| Vienna | 28/85 | 18/64 | + | 28/85 | 18/64 | + |
| Zurich | 33/91 | 18/66 | + | 32/85 | 18/65 | + |

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Europe

Asia

Africa

North America

Latin America

Middle East

Asia

Caribbean and West Atlantic

Europe and Middle East

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Asia/Pacific

Caribbean and West Atlantic

Europe and Middle East

Asia

Caribbean and West Atlantic

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